

Annual Progress Report and Scorecard

**Governor's Steering Committee on
Maine's Natural Resource-based Industry**

November 2006



3rd Annual Report to the Governor
Governor's Steering Committee on Maine's Natural Resource-based Industry
November 2006

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and #14 FY04/05, dated April 28, 2005.

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Maple Hill Farm in Hallowell, which is preserving 131 acres of land along with an active inn and event facility. Photo by Scott Cowger
Forest Ranger, Maine Forest Service
Lobster Boat in Boothbay Harbor. Photo by Debbie Boulerice
Canoes on the Allagash Wilderness Waterway, Maine Office of Tourism
Fin Fish Farm, Maine Sea Grant

Inside Photos: (front to back):

Monhegan Cliffs, Headwaters/Maine SPO
Marshall Point Lightkeeper's House, Headwaters/Maine SPO
Buoys, Headwaters/Maine SPO
Potato Field. Photo by Vikram Bisht
Fly fishing on Rangeley Lake, Maine Office of Tourism
Forest Ranger, Maine Forest Service
Hay Field, Kingfield, Maine Office of Tourism

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Governor's Steering Committee on Natural Resource-based Industries

November 15, 2006

Honorable Governor John E. Baldacci
1 State House Station
Augusta ME 04333

Dear Governor Baldacci,

Maine's natural resource-based industry defines our culture, our heritage, and our economy. The 2003 Blaine House Conference on Maine's Natural Resource-based Industry marked the first time that a concerted effort had been made to bring the several sectors of the industry together to identify both their unique challenges and their shared interests. We believe that if the aquaculture, fishing, farming, forestry, and outdoor tourism sectors of this industry work together, their ability to capitalize on growth opportunities will be maximized.

Under your leadership, the Governor's Steering Committee on Maine's Natural Resource-based Industry has worked to oversee the implementation of the 75 conference recommendations and to foster a balanced, effective natural resource policy for the state.

This report highlights the year's accomplishments. Among them, the most significant include:

- Eliminating the personal property tax on business equipment and machinery;
- Enacting the Maine Working Waterfront Tax Law;
- Creating the Maine Food Policy Council to support locally-produced food;
- Conserving nearly 140,000 acres of wildlife habitat, farm and forest lands and public access for recreation through a \$10 million Land for Maine's Future bond;
- Developing a television campaign to promote Maine as the preferred source for purchasing certified wood products; and
- Launching the Center for Tourism Research and Outlook to provide research and education support for Maine tourism.

We hope you will agree that we've made progress in many areas. We also hope that this report will spark ideas about how we might work with industry representatives, state agencies, and conservation groups to foster further collaborative actions that will sustain and grow the state's natural resource-based industry.

Sincerely,

Richard Davies

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Maine's Natural Resource-based Industry

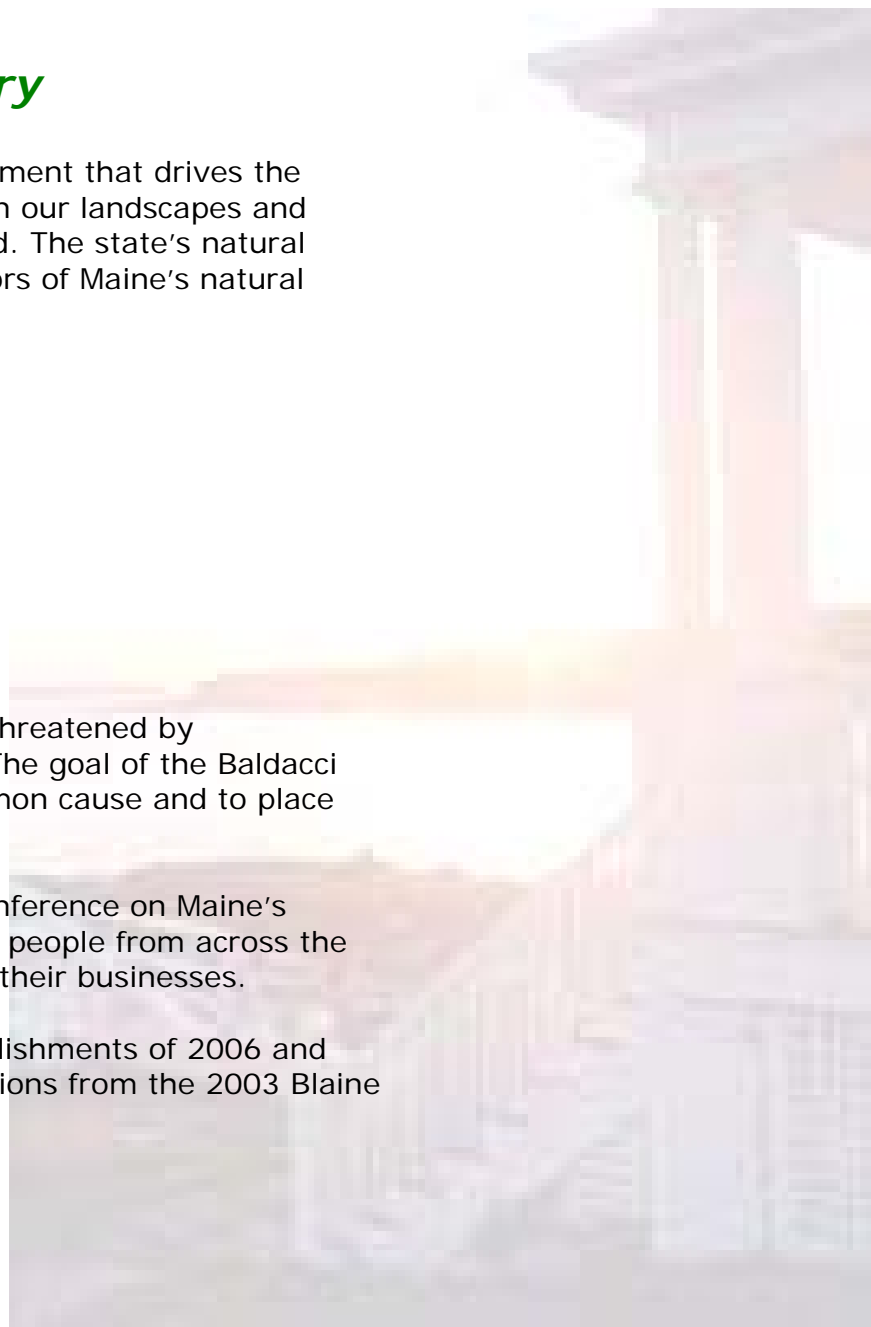
Maine is blessed with an exceptional and diverse natural environment that drives the state's economy. Communities, businesses, and residents rely on our landscapes and working lands and waters for jobs, recreation, and peace of mind. The state's natural resources provide the assets and raw materials for the five sectors of Maine's natural resource-based industry:

- ✓ Agriculture
- ✓ Aquaculture
- ✓ Fishing
- ✓ Forestry
- ✓ Nature Tourism and Outdoor Recreation

The industry faces challenges of immense proportion. They are threatened by development sprawl, global competition, and fragile resources. The goal of the Baldacci Administration is to unite these natural resource sectors in common cause and to place them on the track to sustainable development.

To this end, Governor John Baldacci hosted the Blaine House Conference on Maine's Natural Resource-based Industry in November 2003. Nearly 750 people from across the industry met in Augusta and shaped 75 proposals to strengthen their businesses.

This report updates Governor Baldacci on the significant accomplishments of 2006 and gives an account of progress on implementing the recommendations from the 2003 Blaine House Conference.

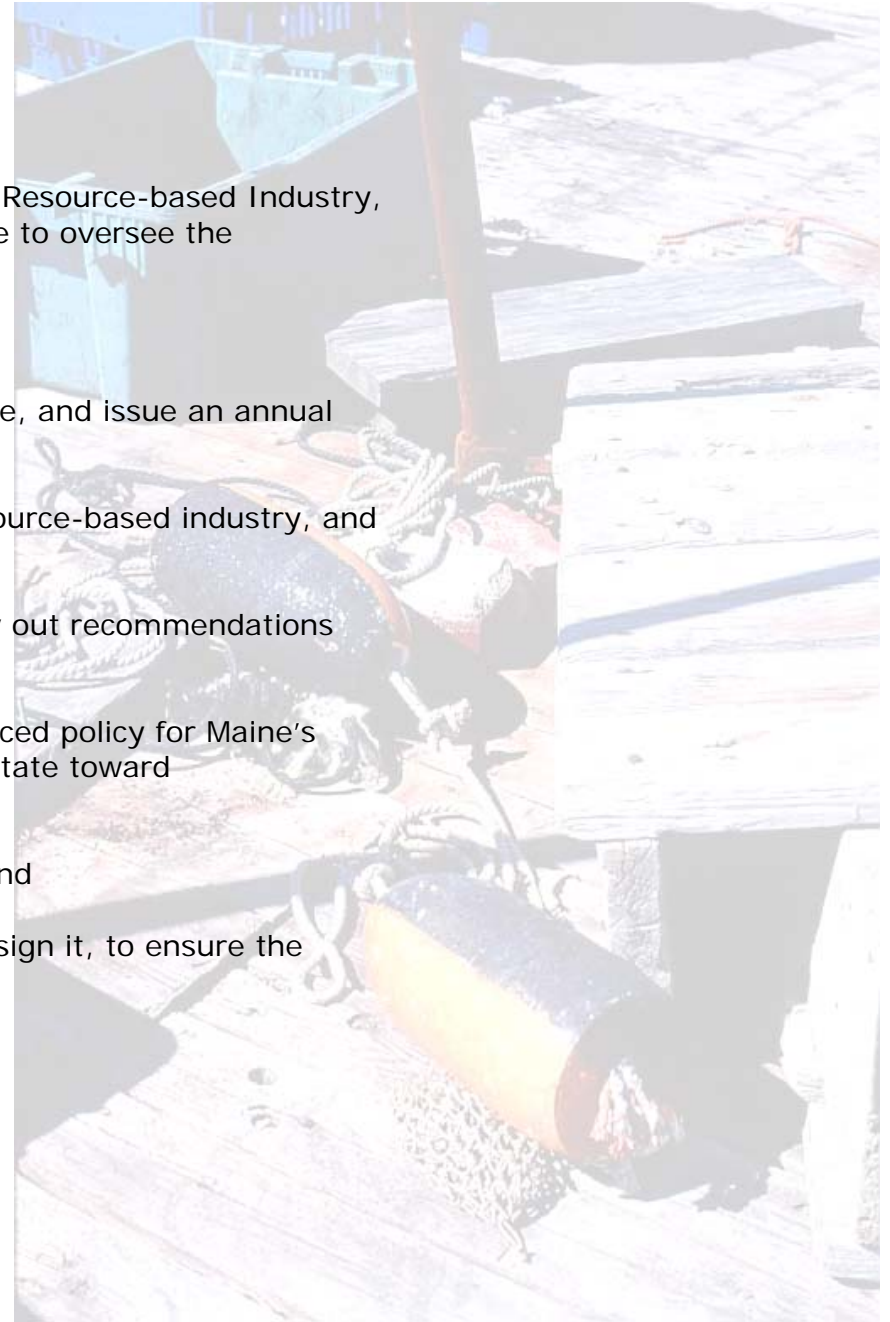


Steering Committee Purpose

Following the 2003 Blaine House Conference on Maine's Natural Resource-based Industry, Governor John Baldacci created a permanent steering committee to oversee the implementation of the conference recommendations.

He directed the steering committee to:

- ✓ Monitor progress toward the goals identified at the conference, and issue an annual report to the Governor in November of each year;
- ✓ Develop indicators to track the vitality of Maine's natural resource-based industry, and measure its progress toward sustainability;
- ✓ Organize and conduct forums to develop proposals that carry out recommendations from the conference;
- ✓ Lead a process to develop a clear, comprehensive, and balanced policy for Maine's natural resource-based industry, and set goals to move the state toward implementation of this policy;
- ✓ Undertake planning for a second Blaine House Conference; and
- ✓ Carry out other such responsibilities as the Governor may assign it, to ensure the vitality of Maine's natural resource-based industries.



Steering Committee Priorities

Conference participants shaped 75 proposals to strengthen their respective businesses. Over 30 of them addresses issues that the industry sectors have in common. Of these, the Governor's Steering Committee on Maine's Natural Resource-based Industry selected five on which to focus its efforts. The Steering Committee's priorities are:

Enhance Competitiveness!

The biggest challenge to growing our natural resource-based industry is to control costs. Maine industries compare disadvantageously with their competitors in taxes, health care costs, workers' compensation costs, energy, and efficient transportation of goods. We must address these issues that affect our ability to compete. *The Steering Committee's goal is to identify those costs influenced by government, compare Maine's costs to other places where we compete, and identify ways to address taxation inequities and reduce costs of health care, workers' compensation, energy, and transportation.*

Preserve the Resource Base!

Increasing land valuations are driving fishermen away from waterfronts, forcing farmers to sell off their land for development, breaking up forest lands, and threatening traditional recreational places. If Maine's natural resource-based businesses are to thrive, they must retain access to our working lands and waters. *The Steering Committee's goal is to create a plan to address the pressures that rising land valuations are placing on fishing, farming, forestry, and tourism landowners. A mix of tax, fiscal, and regulatory incentives is needed that enables flexible, effective approaches to these issues.*

Drive Demand and Capacity for Locally-produced Products!

Maine households offer a huge potential market for Maine-produced forest products, food products, fish, and seafood. For agricultural goods and services *alone*, increasing local purchases from 4% to 10% annually would generate \$180 million in product sales for Maine farmers. *The Steering Committee's goal is to create and strengthen links between*

the state's natural resource producers and Maine consumers. Strong marketing channels need to be developed that improve consumer awareness. Programs are needed to enable Maine restaurants, inns, institutions, and college campuses to feature Maine food products. Technical assistance, research, certification, and extension services need to be strengthened to increase the capacity of foresters, farmers, and fishers to meet demand.

Market the Maine Brand!

Maine's image –inseparably linked with its natural resources and its sense of place –is a potent tool for marketing. Whether it is green lumber, farm fresh food products, or hiking Downeast, Maine's clean, green, worry-free appeal is universal. At the same time, small producers and businesses could benefit from a coordinated marketing scheme. Increased collaboration can boost Maine's presence in the marketplace. *The Steering Committee's goal is to explore market issues, including branding, marketing, marketing structure, and cooperation between marketing organizations, and develop approaches to strengthen links between marketing organizations, enhance distribution systems, and create a common message.*

Build Capacity of Hospitality and Recreation Business Entrepreneurs!

Commercial tourism is not one industry, but rather a diverse array of goods and services. It ranges from motels and sporting camps, to whale watching tours and guiding, to restaurants and museums. In addition, cross-over tourism businesses are popular but require new skills on the part of the operators. Farmers now manage B&Bs, harvest celebrations, pick-your-own operations, and other tourist services. Commercial fishermen offer lobster boat rides or lobster or clam bakes. Enhanced entrepreneurship and management skills can help grow tourism-related businesses. *The Steering Committee's goal is to develop a comprehensive, coordinated higher education program for hospitality, tourism, and recreation. A plan needs to be developed for industry collaboration with the University of Maine System and Maine Community College System to deliver degree programs, research, and extension services.*

Significant Accomplishments in 2006

In 2006, public and private initiatives resulted in a number of accomplishments that support Maine's natural resource industry. We are pleased to highlight a sampling of key accomplishments:

Enhance Competitiveness!

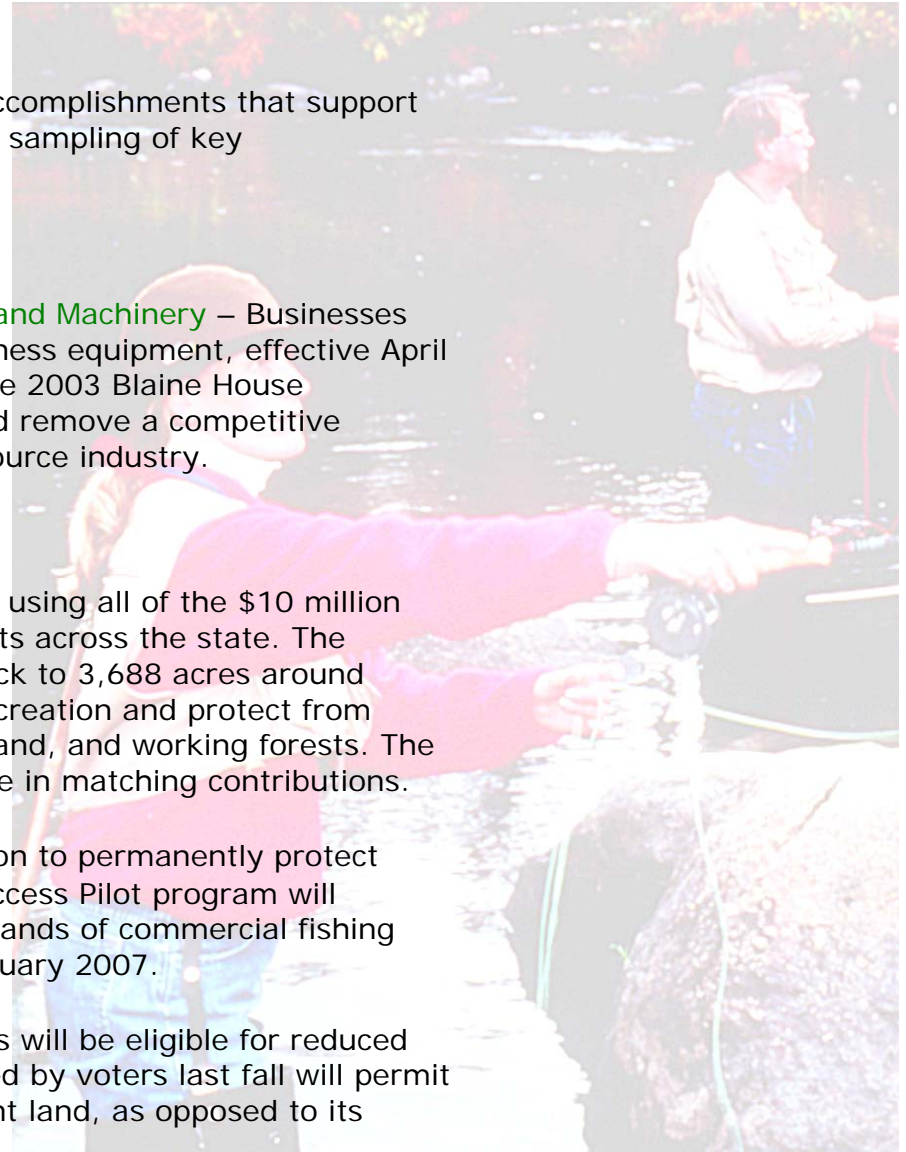
✿ **Elimination of Personal Property Tax on Business Equipment and Machinery** – Businesses will no longer be assessed a personal property tax on their business equipment, effective April 1, 2008. This action was one of the highest priorities cited by the 2003 Blaine House conference participants. It will encourage capital investment and remove a competitive disadvantage that many considered the bane of our natural resource industry.


Preserve the Resource Base!

✿ **Land for Maine's Future** – The Land for Maine's Future Board, using all of the \$10 million approved by voters last fall, funded 31 land conservation projects across the state. The projects, which range from the 266-acre Tibbetts Farm in Berwick to 3,688 acres around Grafton Notch in Oxford County, will ensure public access for recreation and protect from development 139,300 acres of wildlife habitat, productive farmland, and working forests. The state bond funds garnered more than two-and-a-half times more in matching contributions.


✿ **Working Waterfront Access** – Maine voters approved \$2 million to permanently protect access to commercial fishing waters. The Working Waterfront Access Pilot program will provide financing to keep working waterfront properties in the hands of commercial fishing businesses. The first projects are expected to be selected in January 2007.


Also, effective April 1, 2007, commercial fishing property owners will be eligible for reduced property taxes. The Maine Working Waterfront Tax Law approved by voters last fall will permit property to be assessed based on its value as working waterfront land, as opposed to its potential value as developed property.




 **Maine's Green Infrastructure** – Green infrastructure provides access to the lands and waters that support Maine's natural resource industry and includes parks and historic sites, trails and trail infrastructure, boat ramps, piers, fish stocking, beach nourishment and water quality improvements, working land conservation, and tourism facilities such as signage, parking, and sanitary facilities. A public-private coalition has formed to develop funding proposals and advocate for measures to sustainably manage the state's green infrastructure. The coalition comprises conservationists, recreational groups, landowners, tourism businesses, and public and private agencies.


Drive Demand and Capacity for Locally-produced Products!


 **Maine Food Policy Council** – The Legislature created a council to ensure the availability of an adequate supply of safe, wholesome, and nutritious food to Maine citizens. The Council will develop a strategic plan for supporting locally-produced food, which is critical to Maine's food security and rural economy.

 **Maine Forest Certification** – Paper buyers from around the world look to Maine as their source for paper derived from sustainably managed forests. Timber harvesting operations are certified by a third party to meet credible standards for forest management. Maine leads the nation in certification of forestlands with 38% of productive lands certified.

Market the Maine Brand!

 **Nature-based Tourism** – Theme-based touring itineraries that link natural, historic, and cultural sites are being developed in Piscataquis County, Western Maine Mountains, and Downeast. The work, following on from last year's nature tourism strategic plan (FERMATA), will take advantage of Maine's natural heritage and provide economic opportunities for rural Maine.

 **Campaign to Market Maine Wood Products** – The Maine Forest Service is about to launch a television campaign to promote Maine as the preferred source of wood and certified wood products. Ads will air several hundred times over six months beginning in late November to encourage consumers to purchase wood from Maine.

 **Certified Maine Lobsters** – Maine lobsters are now identified as having come from Maine. The Certified Maine Lobster™ program was launched in 2006 to promote Maine as having the best lobster in the world. Special tags help consumers to know that their lobster came from Maine.

Build Capacity of Hospitality and Recreation Business Entrepreneurs!

🔗 **Workforce Development** - Marine trades will benefit from worker training, marketing assistance, research and development, and capitalization from a three-year \$15 million economic development effort funded by the U.S. Department of Labor under the Workforce Innovation in Regional Economic Development, known as WIRED.

🔗 **Maine Tourism Business Education** – Maine tourism businesses have more resources than ever before. Through its Training Tourism Initiative, the Maine Community College System has developed an “Extraordinary Services” customer service program targeted to the hospitality and tourism industry that will be offered this fall to the ski industry and to the broader tourism community next spring. In fall 2006, the University of Maine’s new tourism certificate program got underway. The University of Maine System launched the Center for Tourism Research and Outlook (CentTRO), a collaboration between the University of Maine and the University of Southern Maine, which is already a key source of research and educational support for Maine tourism. For example, CentTRO is now preparing a study to identify the business development needs of farmers engaged in agri-tourism.

The Steering Committee is pleased to report on the progress being made, but does not take the credit for these initiatives. They are the result of hard work by many public and private individuals, organizations, agencies, and businesses. The repeal of the personal property tax, for example, took much effort by many. We commend the Governor and Legislature for their leadership and bi-partisan effort.

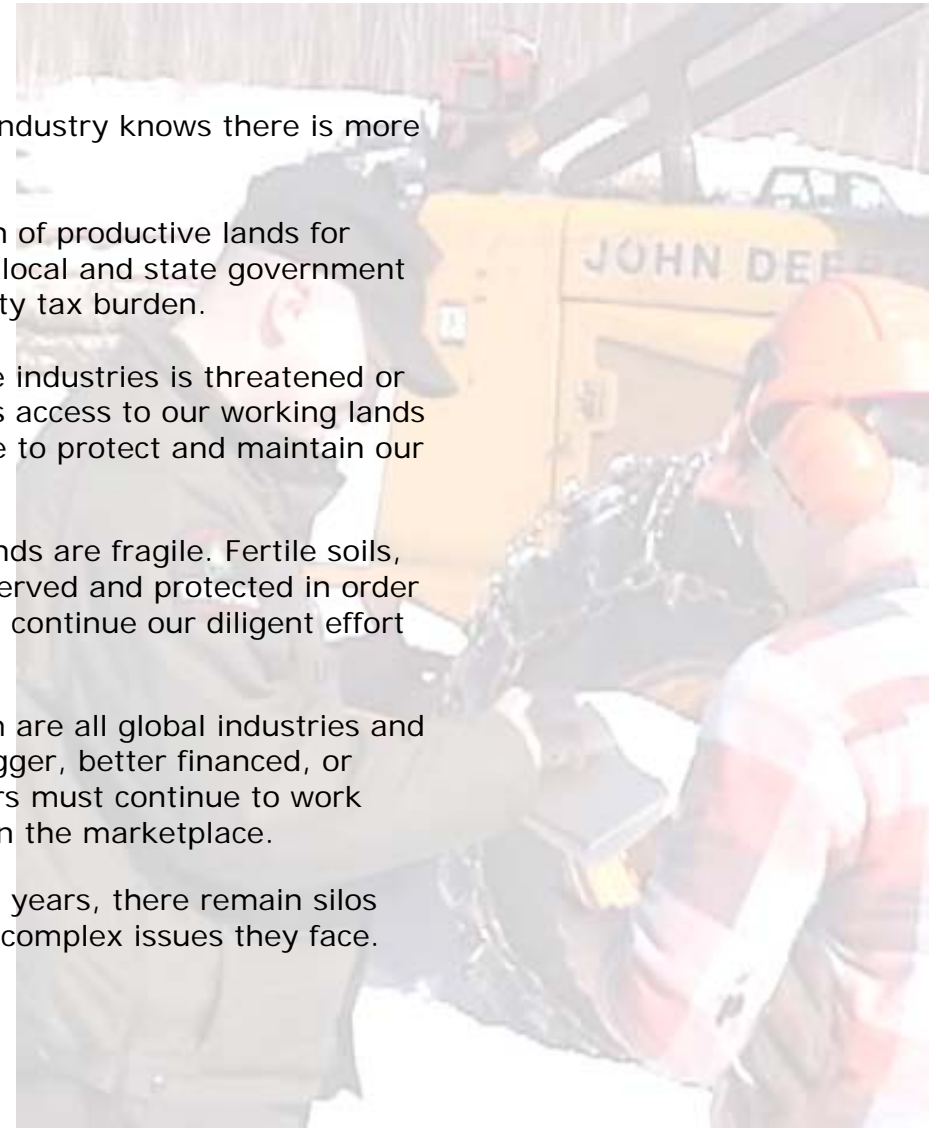
What’s more, the Working Waterfront Coalition, which represents hundreds of members, worked tirelessly on their industry’s behalf. It is due to their efforts that Maine voters understand the threats to the shore lands that support commercial fishing in the state. Tourism operators Downeast and in the Highland and Western Mountain areas are leading the development of state’s nature tourism initiative. Two groups spearheaded the development of the Maine Food Policy —the Food Policy Working Group and the Food Policy Advisory Committee. The Maine Lobster Promotion Council, in cooperation with Maine lobstermen, dealers and processors, created the brand and logo designed protect Maine’s lobster brand. Maine’s forest products industry members stepped to the plate voluntarily to become certified, providing a potent marketing label that paper buyers look for. The Governor’s administration and members of Maine’s North Star Alliance produced the WIRED grant proposal. Every University of Maine campus contributes to making CentTRO the research and information focal point of the tourism industry.

Taken together, with the Steering Committee’s support and the ongoing work of the state’s natural resource agencies, all these efforts represent Maine’s commitment to make this industry a vibrant part of our economy.

Looking Ahead

The Steering Committee on Maine's Natural Resource-based Industry knows there is more work to do:

- ✓ Escalating property values continue to force the conversion of productive lands for development. We must continue our path of holding down local and state government spending, finding efficiencies, and reducing Maine's property tax burden.
- ✓ Much of the public green infrastructure that supports these industries is threatened or in a state of disrepair. It is this infrastructure that provides access to our working lands and waters and sustains this industry. We need to do more to protect and maintain our public assets.
- ✓ Many of the natural resources on which this industry depends are fragile. Fertile soils, fish stocks, forest lands, and scenic areas all must be preserved and protected in order for the natural resource-based industry to thrive. We must continue our diligent effort to protect our working lands and waters.
- ✓ Farming, fishing, aquaculture, forestry, and nature tourism are all global industries and Maine businesses often find themselves competing with bigger, better financed, or lower-priced competitors. Maine's public and private sectors must continue to work together to differentiate Maine's unique product offerings in the marketplace.
- ✓ While industry collaboration has grown over the past three years, there remain silos that prevent the industry from effectively dealing with the complex issues they face. We need to speak and act with one voice.



2006 Scorecard

Overall, steady progress has been made towards implementing the 75 recommendations from the 2003 Blaine House Conference. This report documents good or some progress on 95% of the recommendations.

A score for progress on each recommendation — good, some, or none — is reported on the pages that follow. The following table tallies the progress to date for each sector and the cross-cutting recommendations:

	Good Progress	Some Progress	No Progress	TOTAL
Cross-cutting	13 41%	17 55%	1 3%	31
Agriculture	3 42%	2 29%	2 29%	7
Fisheries/Aquaculture	10 63%	6 37%	0 %	16
Forestry	6 43%	7 50%	1 7%	14
Nature Tourism/Outdoor Recreation	2 29%	5 71%	0 %	7
Total	31 41%	40 54%	4 5%	75
Total with Good or Some Progress	71 95%		4 5%	75 100%

Public and Private Activities

Access to the Resource

Progress	Conference Recommendation	2004 Activities	2005 Activities	2006 Activities
Good	1. Create a comprehensive action plan to address the enormous pressures that rising land values are placing on fishing, farming, and forestry land owners	<ul style="list-style-type: none"> ✓ The Governor's tax reduction proposal, which includes permitting municipalities to value the homestead land of principle residences at current use, will help lower property taxes on some farms and waterfront homes. ✓ A traditional industries development bond and complementary legislation is under consideration that seeks to preserve farmland and protect working waterfronts, among others. ✓ The Working Waterfront Coalition proposes to purchase development rights for existing working waterfront property. ✓ The Dept of Transportation has proposed "Quality Community" and "Transportation and the Economy" initiatives that support access to the resources. 	<ul style="list-style-type: none"> ✓ The Governor's tax reduction proposal (LD 2), which includes permitting municipalities to value the homestead land of principle residences at current use, will help lower property taxes on some farms and waterfront homes. The bill was held over and will be taken up again in 2006. ✓ Voters enacted a constitutional amendment in November 2005 to permit waterfront land used for commercial fishing activities to be assessed based on the land's current use in a manner similar to treatment now available for farms, open space, and forestland. ✓ The Working Waterfront Coalition formed a PAC to educate voters on the importance of the working waterfront and to encourage them to approve the \$2 million in bond funding for working waterfronts that is part of the November 2005 LMF bond proposal. ✓ The MaineDOT 2006-2007 work 	<ul style="list-style-type: none"> ✓ LD 2, which would have helped counteract rising land values on homesteads, died in the 122nd Legislature. ✓ A new Working Waterfront Access Protection Pilot Program has been initiated with \$2 million approved by Legislature and voters in 2005 to keep working waterfront in the hands of commercial fishing businesses. The deadline for applications is November 1 2006. Finalists are expected to be selected in January 2007. ✓ The Legislature enacted LD 1972, An Act to Protect Maine's Working Waterfronts, in May 2006, to implement the working waterfront current use taxation constitutional amendment approved by voters in 2005. ✓ Maine Revenue Services is developing the Maine Working Waterfront Current Use Taxation program, which will take effect April 2007. The State Tax Assessor will adopt rules to guide municipal assessors in

			<p>plan includes funds to improve access to natural resource lands and water, including: Statewide Community Investment Sharing, Community Livability, Corridor Preservation, and Roads for Jobs programs.</p> <ul style="list-style-type: none"> ✓ Voters favored a \$1.5 million bond for the Small Harbor Improvement Program that supports the commercial fishing and tourism segments of the natural resource economy by providing 50% funding for development of a wide variety of coastal public access/infrastructure projects. ✓ The Maine Forest Service's work evaluating the potential markets of carbon offset projects and other efforts to make forest management more profitable will help keep forest land in production. 	<p>establishing current use values for working waterfront land.</p> <ul style="list-style-type: none"> ✓ MaineDOT has distributed \$700,000 in Small Harbor Improvement grants to improve public access for commercial fishing and tourism. ✓ The Maine Coastal Program distributed \$175,000 for working waterfront planning, harbor improvements and right-of-way discovery work. In addition \$550,000 of federal funds was garnered to conserve 126 acres on Maquoit Bay in Brunswick; a vital area for commercial clamming and worming. ✓ The Green Infrastructure Coalition is working to identify and advocate for funding sources to acquire, build, and/or repair green infrastructure that provides access to fishing, farming, forestry, and tourism land and water resources.
Good	2. Support a new Land for Maine's Future bond	<ul style="list-style-type: none"> ✓ All of LMF's existing funds have been obligated and the Legislature failed to reach consensus on a new bond for LMF in the 121st session. ✓ The Governor has committed to proposing a new bond for consideration by the 122nd Legislature to replenish the LMF program. 	<ul style="list-style-type: none"> ✓ Voters favored a \$12 million bond in November 2005 for the Land for Maine's Future Program to protect farmland, working forests, and recreational and conservation lands. The bond sets aside \$2 million for a Working Waterfront Access Pilot Program to retain strategic working waterfront infrastructure. 	<ul style="list-style-type: none"> ✓ 31 new Land for Maine's Future projects were initiated in 2006 with the proceeds of \$10 million approved by Legislature and voters in 2005. All available funds have been committed. No new conservation, farming, or forestry projects can be undertaken. ✓ The Land for Maine's Future Board is also administering \$2 million approved by the

				Legislature and voters for a new Working Waterfront Access Protection Pilot Program. (See #1)
Some	3. Strengthen Maine's service center communities	<ul style="list-style-type: none"> ✓ The State Planning Office is developing policy options for the Governor for a legislative package to help stem sprawl. ✓ The Governor directed the State Planning Office and the Maine Downtown Center to identify barriers that prevent or discourage downtown development. A resulting report makes recommendations to increase investment in Maine's downtowns. ✓ Efforts to foster regional delivery of local services will help strengthen downtowns. ✓ The Governor's initiative to use public funds to stimulate private investment in civic, convention, and cultural facilities will strengthen downtowns. 	<ul style="list-style-type: none"> ✓ Several of the recommendations contained in the State Planning Office's report, <i>Revitalizing Maine's Downtowns</i>, have been implemented, including: funding and supporting the Maine Downtown Center, adopting a model rehabilitation code, and funding the Municipal Investment Trust Fund. ✓ \$1 million in grants were awarded to 121 municipalities and other regional government organizations to pilot regional approaches to local service delivery. Projects are underway. ✓ Grant funding for the Efficient Delivery of Local and Regional Services was established as part of the School Finance Act of 2003 and LD 1. Anticipated to start on November 1, 2005 with the first round of grants awarded in early 2006, the Legislature suspended funding for the grant program for FY 06-07. ✓ The Intergovernmental Advisory Commission, a 17-member commission comprised of representatives from state, local, county, and regional governments, got underway. The commission is charged by statute to work on ways to improve 	<ul style="list-style-type: none"> ✓ The Legislature appropriated \$75,000 to recapitalize the Maine Downtown Center. ✓ The Legislature replenished the Fund for the Efficient Delivery of Local and Regional Services with \$500,000 in FY 07. 14 grants totaling \$500,000 was awarded to over 70 municipalities, counties, and regional governments for projects that will encourage and support intergovernmental cooperation and reduce property taxes. ✓ The Intergovernmental Advisory Commission spearheaded two initiatives to foster governmental efficiencies: 1) to develop a model chart of accounts to better track government costs and savings; and 2) to require state agencies to accept joint municipal filings. ✓ In FY06-07, the Legislature approved an additional \$495,000 for the New Century Community Program. This was the first time in Maine history that the cultural community received a general fund appropriation for this program and Governor Baldacci is the first to successfully include such a request in a Governor's budget. The state's

			<p>communication, cooperation, and efficiencies among all three branches of government and to encourage regionalization and cost-effective service delivery.</p> <ul style="list-style-type: none"> ✓ Voters favored a \$1 million bond in November 2005 for the New Century Community Program to invest in capital improvements improving cultural assets, including libraries, museums, historical buildings, theaters and arts facilities. 	<p>Cultural Affairs Council dispersed it along with the proceeds from a \$1 million bond approved by voters in 2005 to make capital improvements in libraries, museums, historical buildings, theaters and arts facilities.</p>
Good	<p>4. Increase public information on <i>Right-to-farm</i> and <i>Right-to-fish</i> laws</p>	<ul style="list-style-type: none"> ✓ The Dept of Agriculture is working to strengthen Maine's <i>Right-to-farm</i> laws. ✓ An educational brochure for new and prospective homeowners describes what it means to live in a working fishing community. Developed by University of Maine Sea Grant, Cooperative Extension, and Washington Co. Planning Commission, the brochure could be replicated statewide and for farming communities. 	<ul style="list-style-type: none"> ✓ The Dept of Agriculture will host a series of public meetings in the early winter to solicit input on the issues of best management practices, right-to-farm laws, and local ordinances. The intent is to gain some guidance and to provide some education prior to formal rule-making on right-to-farm rules. ✓ The Dept of Agriculture has created several information pieces to educate and inform the general public as well as specific audiences, such as landowners, town officials, and farmers on right-to-farm issues. 	<ul style="list-style-type: none"> ✓ The Dept of Agriculture continues to assist farmers, agency personnel, and others to expand knowledge of nutrient management-related best management practices. ✓ Recently drafted rules for the Agriculture Compliance Program address the process to handle agricultural complaints and are ready for public review. ✓ In conjunction with the State Planning Office, the Dept of Agriculture trained local code enforcement officers in Maine's right-to-farm and nutrient management laws. ✓ GrowSmart Maine published an educational brief, <i>Planning for Agriculture</i>, which provides options for communities to avoid nuisance complaints and be more agriculture friendly. ✓ The Dept of Agriculture helps

				<p>towns to develop strategies that promote agricultural best management practices, protect prime agricultural soils, sustain agricultural enterprise activities and build agri-tourism opportunities, as part of their comprehensive plans.</p> <p>✓ Maine Sea Grant, Maine Coastal Program, and others collaborated on two brochures that describe the sounds, smells, and sights of commercial fishing activity in Harpswell and Jonesport-Beals. It is distributed to prospective homebuyers through local realtors. Work is underway to produce a brochure that can be modified in use for other locales.</p>
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Market Development and Branding

Progress	Conference Recommendation	2004 Activities	2005 Activities	2006 Activities
Good	5. Explore the possibilities for developing a coordinated marketing theme for all of Maine's natural resource-based industries	<p>✓ The Dept of Economic and Community Development is researching past and current marketing campaigns and has begun to convene marketing staff from the state natural resource agencies to identify collaborative opportunities.</p> <p>✓ The Governor's Advisory Council on the Sustainability of the Forest Products Industry in</p>	<p>✓ The Governor's Steering Committee on Maine's Natural Resource-based Industry hosted a marketing forum on June 13, 2005, to identify what might be Maine's "next level" of marketing for the farming, fishing, forestry, aquaculture, and tourism/outdoor recreation sectors, and what is needed to get us there. Some of the state's top private sector marketing</p>	<p>✓ Maine's WIRED initiative will assist marine trades and other marine-related businesses with marketing and outreach.</p> <p>✓ Governor Baldacci established the Governor's Task Force for the Maine Nature Tourism Initiative to oversee implementation of FERMATA recommendations for marketing Maine as a tourist destination.</p>

		<p>Maine will offer recommendations in December 2004 on opportunities to brand Maine's green certified forest products.</p> <ul style="list-style-type: none"> ✓ The <i>Get Real Get Maine!</i> agricultural marketing campaign has successfully boosted local agricultural sales. 	<p>experts advised us.</p> <ul style="list-style-type: none"> ✓ FERMATA completed its assessment of opportunities for Maine to package and promote its nature tourism offerings; recommendations include enhanced marketing for authentic, locally-produced products, artisan crafts, and foods. It also recommends an integrated, multi-agency/multi-partner marketing communications campaign to raise awareness of the <i>Maine Woods Experience</i>. ✓ The Maine departments of Inland Fisheries & Wildlife and Economic and Community Development will produce a series of brochures to highlight five specific areas in Maine and what each has to offer visitors for outdoor recreational amenities. They should be available by January 2006 for distribution at outdoor shows and at Maine tourism centers and via the Internet. ✓ In coordination with the other three northern forest states, Maine is participating in an effort to evaluate whether a regional brand for forest products would be effective in promoting increased sales. ✓ Maine's certification of forest lands provides a potent marketing label that paper 	<ul style="list-style-type: none"> ✓ DECD is working with regional and local tourism stakeholders in FERMATA pilot project regions to assess infrastructure and marketing and promotion needs. (See #74) ✓ MaineDOT supports scenic byways as part of the Maine brand. (See #28) ✓ The <i>Get Real, Get Maine</i> agricultural marketing campaign continues to promote purchasing of locally-produced products. The Dept of Agriculture is looking at making aquaculture products part of their campaign. ✓ The Maine Lobster Promotion Council launched the Maine Certified Lobster™ program to market Maine lobsters. ✓ Maine's certification of forest lands provides a potent marketing label that paper buyers look for. (See #63) ✓ The Maine Forest Service is undertaking a television ad campaign to encourage consumers to purchase certified wood. (See #63) ✓ The Dept of Inland Fisheries & Wildlife markets Maine as an outdoor destination: <ul style="list-style-type: none"> ○ It has produced a series of nine brochures and a web-based resource of fishing opportunities at all the
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			<p>buyers look for. Currently 41% of Maine's productive forest land is certified as being managed sustainably.</p>	<p>major fishing destinations in the state with the assistance of the Office of Tourism.</p> <ul style="list-style-type: none"> ○ It launched the IFW Turnpike Informational Radio 1640 AM to promote outdoor recreation in Maine and provide fishing, hunting, and outdoor information. A turnpike sign in Kittery directs listeners to the station. ○ It expanded its logo merchandise program with new on-line sales with Kittery Trading Post and a new program with L.L. Bean. ○ A partnership with the Bethel Area Chamber of Commerce has created the Upper Androscoggin River ("Upper Andro") as a brand in the angling community. ○ The wild brook trout capital of the U.S., Maine has 426 ponds that have never been stocked; the next closest state is NH with seven. The department is developing a new brochure and a trade show booth promoting the state's wild brook trout fishing. It plans to exhibit at 11 out-of-state sportsmen shows in 2007. <p>✓ The Kennebec River Initiative</p>
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				was launched, a collaborative effort aimed at making the river an asset for scenic, ecological, fisheries, wildlife, recreation, cultural, and economic opportunities.
Some	6. Develop and formalize strong working relationships with government and industry in Atlantic Canada	<ul style="list-style-type: none"> ✓ Maine participates in bilateral meetings with Canadian agriculture ministers to discuss common issues. ✓ The Dept of Marine Resources actively works with Canada on aquaculture standards and quality control, and on issues related to the science and management of shared fish stocks. ✓ Maine is an active participant in the Gulf of Maine Council on the Marine Environment, a U.S.-Canadian partnership of government and nongovernmental organizations working to maintain and enhance environmental quality in the Gulf of Maine. 	<ul style="list-style-type: none"> ✓ The Dept of Marine Resources continues to work with Canada on shared fish stocks. Maine and Canadian scientists collaborate to set reasonable catch limits based on the best available science. The Commissioner chairs the Transboundary Monitoring Guidance Committee that sets allowable catch of the shared groundfish stocks. ✓ Maine is working cooperatively with the Province of New Brunswick regarding the timing of salmon aquaculture stocking to minimize disease. New Brunswick and Maine are also moving forward to adopt regulations that are more consistent with each other. ✓ The Dept of Marine Resources and the State Planning Office sit on the Gulf of Maine Council on the Marine Environment. Maine is the secretariat for the Council for 2005-06. The Council is developing a new five-year action plan with a focus on education, habitat protection and restoration, and contaminant monitoring. 	<ul style="list-style-type: none"> ✓ The Dept of Marine Resources continues to work with Canada to manage shared fish stocks and enhance aquaculture production. ✓ MaineDOT hosted a delegation from Transports Quebec that came to study Maine's 511 traveler information system, the Condition Acquisition Reporting System (CARS) consortium and the Tri-state Advanced Traveler Information (TRIO) system. ✓ Maine completed its year-long role as Secretariat to the Gulf of Maine Council in June 2006. Over the year, Maine led the council through a process to analyze its previous five-year action plan and to develop the next five-year plan designed to make measurable progress toward its mission of maintaining and enhancing environmental quality in the Gulf of Maine and allowing for sustainable resource use by existing and future generations.

Some	<p>7. Create and strengthen links between agricultural entities and fisheries and Maine restaurants</p>	<ul style="list-style-type: none"> ✓ Governor Baldacci appointed a local agriculture task force to develop recommendations to strengthen local agriculture. Recommendations are due in December 2004. ✓ The <i>Get Real Get Maine!</i> Agricultural marketing campaign has successfully boosted local agricultural sales. ✓ The departments of Agriculture and Marine Resources are developing promotional opportunities for local fish and seafood, including promoting aquaculture products to Maine restaurant owners and chefs. ✓ The departments of Agriculture and Marine Resources are implementing an inspection program of seafood retailers to ensure they meet quality standards. 	<ul style="list-style-type: none"> ✓ The Local Agriculture Task Force produced 33 recommendations to strengthen local agriculture. The Dept of Agriculture has begun to implement some of these recommendations; particularly looking at advocating use of nutritious, locally-grown foods in local institutions (schools, state offices, correctional facilities). ✓ October has become <i>Maine Menus Month</i> and promotion of it is a joint effort between the Dept of Agriculture and the Maine Restaurant Association. It promotes Maine raised, grown, and harvested foods and the restaurants that feature them. Local seafood, which is featured on most menus, is a big part of this event. ✓ As stipulated by legislation, the Commissioner of the Dept of Agriculture convened a working group to review statutory provisions and examine emerging issues relating to food policy. The group includes representation from the fisheries and aquaculture industries. The intent is to develop food policies that support locally-produced food, which are critical to Maine's food security and rural economy. ✓ The Maine Aquaculture Association exhibited at the 	<ul style="list-style-type: none"> ✓ The newly-created, 15-member Maine Food Policy Council represents the farming, aquaculture, and fisheries sectors. The council will develop a strategic plan to support locally-produced food. (See #37) ✓ The Maine Aquaculture Association exhibited at the Eastern States Exposition agricultural trade show. (See #54) ✓ The Dept of Agriculture is looking at making aquaculture products part of their <i>Get Real, Get Maine</i> campaign.
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			Eastern States Exposition agricultural trade show again this year. This is excellent exposure for the industry and helps to keep them connected to the rest of Maine's food industry groups.	
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Small Business Support

Progress	Conference Recommendation	2004 Activities	2005 Activities	2006 Activities
Good	8. Develop a comprehensive, natural resource-based industries education and skill development program	<ul style="list-style-type: none"> ✓ This would be a new initiative. The steering committee will address it in successive years. 	<ul style="list-style-type: none"> ✓ Part of the charge of the new Center for Tourism Research and Outreach is to enhance academic programs to improve the management and service skills of tourism employers and employees, and to train a new generation of entrepreneurs, managers, and skilled employees to develop quality service tourism businesses. ✓ The Maine Community College received funding to establish a tourism training initiative. ✓ The Dept of Conservation is collaborating with the Small Business Development Center, Small Business Administration, and the Finance Authority of Maine to develop a curriculum to provide loggers with specialized business skills and preferential access to capital resources. This logger business training and loan program is 	<ul style="list-style-type: none"> ✓ Maine's WIRED initiative will assist marine trades and other marine-related businesses with training and retraining workers. ✓ The University of Maine System's new Maine Center for Tourism Research and Outreach (CentRO) coordinates research, outreach and educational programs related to recreation and tourism within the state. Its website contains a listing of tourism educational resources and an educational update page. ✓ The Maine Community College System and University of Maine have developed tourism curriculum offerings being launched this fall. (See #69) ✓ The Maine Forest Service is developing training program for loggers (See #51) ✓ The Western Maine Forest Resources Training Consortium

			anticipated to be completed in the winter of 2006.	was founded. (See #66)
Some	9. Develop affordable workers' compensation, group health, dental, and long-term care insurance	<ul style="list-style-type: none"> ✓ Dirigo provides access to health insurance for small business and the self-employed. 	<ul style="list-style-type: none"> ✓ Governor Baldacci worked with labor, management, and the Legislature to formulate legislation (PL 2003, c. 608) to avoid gridlock, promote efficiency, and maintain lower costs in Maine's workers' compensation system. ✓ In 2003, the Legislature enacted the Dirigo Health Reform Act, a comprehensive approach to containing the rate of growth of health care while expanding access to health insurance and health care services to more Mainers. This fall, the state Bureau of Insurance found that the combined effect of Dirigo health reform initiatives so far has been able to reduce health care cost growth in Maine to a level \$44 million lower than it would have been in the absence of Dirigo reforms. 	<ul style="list-style-type: none"> ✓ The Bureau of Insurance finding on health reform savings was appealed and affirmed by the Superior Court, but is now before the Law Court. ✓ The Bureau of Insurance found additional savings in the second year of Dirigo of \$34 million for a total savings of \$78 million since the program began. ✓ A state health plan has been developed, articulating a roadmap to make Maine the healthiest state and reduce the incidence of, and therefore costs of, chronic illness. ✓ For the first time, insurance premium rate increases are regulated in the small group market (<50 employees) limiting what insurance companies can spend on administration, marketing, and profit.
Some	10. Access adequate seasonal labor	<ul style="list-style-type: none"> ✓ This would be a new initiative. The steering committee will address it in successive years. 	<ul style="list-style-type: none"> ✓ Federal immigration rules, which restricted the number of nonagricultural seasonal workers allowed into the US under the H-2B visa program, were changed to ease the restriction. This helps the logging and hospitality sectors that use large numbers of seasonal workers. ✓ The Dept of Labor has been working with the affected industries in recruiting domestic 	<ul style="list-style-type: none"> ✓ Congress, as one of its last pre-election acts, extended the counting methodology under the H-2B program for another year. ✓ Maine Dept of Labor is continuing to work with industries on recruitment issues. ✓ The rules related to the proof of ownership law were promulgated earlier this year and went into effect October 1, so it

			<p>workers.</p> <ul style="list-style-type: none"> ✓ In 2005, the Legislature enacted Public Law, c. 461 which requires logging employers using H-2B workers to provide the Dept of Labor with proof of ownership for at least one of every two pieces of equipment these loggers use where there is no federal prevailing rate set. It is too early to judge the effect of this law, but it will possibly engender additional capital expense for employers using H-2B workers. 	is still too early to assess the impact on the logging industry.
None	11. Facilitate the development of cooperative and aggregated purchasing options	<ul style="list-style-type: none"> ✓ This would be a new initiative. The steering committee will address it in successive years. 		

Objective Data, Research, and Science

Progress	Conference Recommendation	2004 Activities	2005 Activities	2006 Activities
Some	12. Enhance and focus the natural resource research and development agenda in Maine's university system	<ul style="list-style-type: none"> ✓ The Maine Marine Research Coalition, which consists of state university and research institutions, works to prioritize and increase funding for marine research and education. 	<ul style="list-style-type: none"> ✓ The Center for Tourism Research and Outreach will enhance research and development for the tourism sector. ✓ The Advanced Engineered Wood Composite Center at the University of Maine is a state-of-the-art facility for composites research and development. The 	<ul style="list-style-type: none"> ✓ As part of their Science and Technology Plan, DECD facilitates work conducted at Maine's research and development facilities to commercial application. ✓ The University of Maine System's new Maine Center for Tourism Research and Outreach (CentRO) got underway.

			<p>center is being expanded with funding from a jobs bond authorized by voters in June 2003.</p> <ul style="list-style-type: none"> ✓ Efforts continue to expand and strengthen the aquaculture research facilities at the University of Maine including the Maine Institute for Cold Water Aquaculture in Orono and the National Agriculture Research Service and the Center for Cooperative Aquaculture Research in Franklin, ME. 	<p>CentTRO coordinates research, outreach, and educational needs of the tourism industry. It helps state and local officials work together to develop tourism resources. Projects initiated by CentTRO in 2006 include:</p> <ul style="list-style-type: none"> ○ Short- and long-term forecasts of tourism activity ○ An overnight visitors survey ○ A study of the contribution of the hospitality industry to local property taxes ○ A study of agri-tourism ○ Forecasts of turnpike traffic and tourism activity ○ Workforce profiles for the tourism industry ○ Annual Maine Tourism Outlook Conference ○ A pilot test of customer satisfaction ✓ UMaine's Advanced Engineering Woods Composite Center continues to position Maine as an international leader in wood composites R & D. (See #59) ✓ UMaine's Advanced Engineering Woods Composite Center and its project partner, Saltwater Marketing in Portland, perfected a process to recycle float rope traditionally used in Maine's lobster industry; producing a material which can be recycled
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				<p>into numerous other products.</p> <ul style="list-style-type: none"> ✓ The University of Maine received grants that will equip coastal observing, marine research, aquaculture research and incubation, and fisheries health lab facilities to support marine research initiatives. (See #49 and 50)
Some	13. Increase the state's capacity to provide certain technical assistance to the natural resource-based industries	<ul style="list-style-type: none"> ✓ A traditional industries development bond is under consideration that would fund the <i>Farms for the Future</i> program and expand it to the fishing and forestry industries. 	<ul style="list-style-type: none"> ✓ Voters favored a \$20 million jobs bond in November 2005 that includes several initiatives to enhance technical assistance for the natural resource industries, including funding for the Small Enterprise Growth Fund and the Sunrise Business and Career Center in the Town of Jonesboro. 	<ul style="list-style-type: none"> ✓ The Steering Committee endorsed funding to infuse the Farms for the Future program to continue providing farmers with assistance in business planning and implementation; but funding was not approved. ✓ Governor Baldacci awarded two grants to support nature-based tourism product development and marketing in Franklin and Piscataquis counties. (See #74)
Good	14. Continue to support state investment in research and development through bonding, as resources allow	<ul style="list-style-type: none"> ✓ A traditional industries development bond is under consideration that would include funding for research and development. ✓ A bond to increase funding for marine research did not pass the Legislature in 2004. A new marine research bond is under consideration. 	<ul style="list-style-type: none"> ✓ Voters favored a \$4 million jobs bond in November 2005 for the Marine Infrastructure and Technology Fund administered by the Maine Technology Institute for competitive capital infrastructure grants to nonprofit marine research laboratories, institutions, and state and quasi-governmental agencies. ✓ In 2003, voters approved \$11 million for natural marine, agriculture, and forestry R&D initiatives and \$20 million for biomedical research. 	<ul style="list-style-type: none"> ✓ The Maine Technology Institute awarded \$4 million for grants to support marine research initiatives. Grants will equip facilities to support coastal observing, marine research, aquaculture research and incubation, and fisheries health research. (See #49 and 50)

Clear, Predictable Public Policy

Progress	Conference Recommendation	2004 Activities	2005 Activities	2006 Activities
Some	15. Develop a clear, comprehensive, balanced natural resource policy for Maine that recognizes the importance to these industries to Maine	✓ The Governor's aquaculture task force drafted and the Legislature enacted a vision and guiding principles for sustaining Maine's aquaculture businesses.	✓ The Governor's Steering Committee on Maine's Natural Resource Industry was created to help develop balanced policies and to set goals to move toward implementation of the policies. The committee has worked over the past two years towards this end.	✓ The Governor's Steering Committee on Maine's Natural Resource Industry continues to facilitate dialogues about natural resource policy in the state.
Good	16. Establish a benchmarking process for the natural resource-based industries	✓ The steering committee has identified a set of indicators to track the health of the natural resource-based industry. It is exploring funding sources to undertake a process to set benchmark targets for each of the indicators.	✓ In 2004, the Steering Committee developed indicators to track the health of the natural resource-based industry. They are slated to be updated in 2006, pending funding.	✓ The Maine Forest Service continues its program to develop and track indicators of forest sustainability.

Tax Policy and Economic Development Incentives

Progress	Conference Recommendation	2004 Activities	2005 Activities	2006 Activities
Good	17. Eliminate the personal property tax on machinery and equipment for investments made after April 2004	✓ The Governor has committed to repealing the personal property tax on business machinery and equipment.	✓ This was the #1 recommendation in the Future Forestry Economy Report. Further; the Governor's Council on the Sustainability of the Forest Products Industry recommends repeal of personal property tax on business equipment.	✓ P.L. 2005, ch. 623 repeals the personal property tax on business equipment, effective April 1, 2008.

			<ul style="list-style-type: none"> ✓ In 2004, the Governor proposed prospective repeal of the personal property tax on business equipment and machinery (LD 1923 did not pass). In 2005, the Governor proposed the repeal again in LD 1660. That bill been has been held over to the 2nd Regular Session of the 122nd Legislature. 	
Some	18. Develop a regulatory support system for small businesses in these industries	<ul style="list-style-type: none"> ✓ This would be a new initiative. The steering committee will address it in successive years. 	<ul style="list-style-type: none"> ✓ The Governor's Council on the Sustainability of the Forest Products Industry recommends: <ul style="list-style-type: none"> ○ improving regulatory stability by enhancing communication and planning between industry and regulators; ○ Continually evaluating existing regulatory programs to assure that they meet the public health and safety need in the least burdensome manner practical; ○ recognize businesses that proactively demonstrate environmental stewardship. ✓ The Dept of Environmental Protection continues to provide education and awareness to businesses, and to expand its Step-Up Program. 	<ul style="list-style-type: none"> ✓ The Legislature funded the Maine Regulatory Fairness Board to make recommendations on ways to reduce barriers, cut costs, and make regulations more efficient. ✓ Maine environmental business leaders who participate in DEP's STEP-UP program continue to act as mentors for small and developing enterprises. In 2006, the program launched a quarterly newsletter that covers regulatory updates/alerts and sustainability and technology news. ✓ DEP's Small Business Technical Assistance Program provides assistance on hazardous waste and toxics reduction. It helps small businesses plan carbon emission reductions through the Governor's Carbon Challenge and utilizes a compliance incentive policy tailored to the needs and circumstances of small business. ✓ DEP initiated the Environmental

				Results Program (ERP), a self compliance model to assist small businesses. DEP is planning to develop an ERP model to assist and complement the stormwater pollution prevention programs.
Some	19. Develop a comprehensive plan for reducing energy costs across all industries	✓ This would be a new initiative. The steering committee will address it in successive years.	<ul style="list-style-type: none"> ✓ The Governor's Office of Energy Independence and Security is working to help lower energy costs, including proposing an omnibus bill to make Maine more energy independent through increased energy conservation and efficiency and renewable energy sources. ✓ The Governor's Council on the Sustainability of the Forest Products Industry recommends: <ul style="list-style-type: none"> ○ growing Maine's electricity market and diversifying fuel sources available to Maine; and ○ adopting electricity and conservation delivery policies which promote manufacturing in Maine. 	✓ The 2006 Omnibus Energy Bill was enacted to reduce and stabilize electricity prices. It does so by allowing the Maine Public Utilities Commission to sign long-term contracts with renewable power generators and to incorporate energy efficiency resources into the standard offer. It also sets a goal of 10% new renewable power by 2017.
Some	20. Improve access to technology and financial assistance by taking development resources to the regions	✓ This would be a new initiative. The steering committee will address it in successive years.	✓ FERMATA's Strategic Plan for Implementing Maine's Nature-based Tourism Initiative recommends having tourism staff located in three pilot regions to support regional tourism development.	✓ The Dept of Economic and Community Development is providing staff support to three FERMATA pilot regions to support regional tourism development.
Some	21. Study the potential elimination or reduction of the sales	✓ The Dept of Marine Resources has researched the impact of eliminating sales tax on diesel	✓ A study on fishing vessels was completed in 2004. The Dept of Marine Resources found that the	✓ This study was completed in 2004, but it remains a concern of

	tax for diesel fuel consumed on fishing vessels and in logging operations.	fuel for groundfishing vessels.	benefit of eliminating the sales tax on diesel fuel on fishing vessels was not as significant as was thought.	the groundfish industry.
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Collaboration Across Industry and Government

Progress	Conference Recommendation	2004 Activities	2005 Activities	2006 Activities
Good	22. Empower an inter-industry team to develop a long-term plan for developing productive, multi-use forests	<ul style="list-style-type: none"> ✓ The Governor's Advisory Council on the Sustainability of the Forest Products Industry in Maine will offer recommendations in December 2004 to develop creative partnerships between managed forests and outdoor recreation and tourism. ✓ The Governor's Task Force on Traditional Uses and Public Access to Lands in Maine will recommend actions for assuring public access on lands traditionally available for public use. 	<ul style="list-style-type: none"> ✓ The Governor's Council on the Sustainability of the Forest Products Industry recommends developing creative partnerships between managed forests and outdoor recreation and tourism in conjunction with the implementing Maine's Nature Tourism Initiative. ✓ FERMATA has offered recommendations as part of the Maine Nature Tourism Initiative for managing recreational use of forest lands. ✓ The Governor's Task Force on Traditional Uses and Public Access to Lands in Maine will recommend actions shortly for assuring public access on lands traditionally available for public use. ✓ In November 2005, voters favored \$10 million in bond funds to replenish the Land for Maine's Future Program that will provide funding for forest 	<ul style="list-style-type: none"> ✓ In December 2005, the Governor's Task Force on Traditional Uses and Public Access to Lands in Maine offered recommendations to help support public access to private lands in Maine. In particular, it recommended: <ul style="list-style-type: none"> ○ Additional funding for the Land for Maine's Future Program ○ An enhanced landowners' relations program ○ Use of "flex" easements ○ Increasing the acreage cap on open space ○ A woods access road maintenance program ✓ A new captain's position in the warden service will coordinate the Dept of Inland Fisheries & Wildlife's landowners' relation program, particularly addressing landowner complaints

			<p>conservation easements and well as preserve lands for tourism and outdoor recreation.</p> <ul style="list-style-type: none"> ✓ Maine has participated with three other northern forest states to evaluate the results of the Northern Forest Lands Council report; a major thrust of which is to support the economies of the northern forest area, which are largely based on forest products and tourism. These states are now working to implement the report recommendations. ✓ See also noteworthy accomplishments in the forestry section that describes efforts to promote long-term forest health and productivity. 	<ul style="list-style-type: none"> ✓ In the FERMATA pilot regions, as regional itineraries are being developed, eased forest lands and, with landowner permission, some private lands are included, with proper care taken to plan for safety, maintenance, and damage prevention. ✓ The Bureau of Parks and Land works with conservation organizations and landowners to acquire and enhance productive multi-use forest lands. Programs such as the Land for Maine's Future and US Forest Service's Forest Legacy programs facilitate multi-use forests. ✓ Land for Maine's Future bond funds approved by voters last year supported five forest land conservation projects, preserving 95,000 easement acres and 8,500 fee acres for productive forest lands and recreation. Examples of these projects include: <ul style="list-style-type: none"> ○ Machias River Phase II consists of 7,662 acres managed for multi-use. ○ A conservation easement on 195,000 acres in the Katahdin Forest will be managed for sustainable timber harvesting and multi-use recreation. ✓ All of the state's conservation easements include public access for a variety of recreational pursuits. The Dept of
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				<p>Conservation has made great strides securing permanent access for trails, especially its rail trail acquisitions.</p> <ul style="list-style-type: none"> ✓ The Katahdin Lake Project protects 6,000 forested acres adjacent to Baxter State Park, of which 2,000 acres will be managed for multi-use. ✓ The North Maine Woods continues to coordinate a variety of public uses. The Dept of Conservation supports these efforts in every way that it can. ✓ The Dept of Conservation supports the collaborative private partnerships working to develop forestland recreational opportunities throughout Maine. Examples: <ul style="list-style-type: none"> ○ Northern Forest Canoe Trail ○ Appalachian Mountain Club 100-mile Wilderness Trail ○ Western Mountains Foundation Hut-to-Hut Project ○ Maine Ice Age Trail
Some	23. Foster collaboration among tourism, aquaculture, and other uses of Maine's coast	<ul style="list-style-type: none"> ✓ A bay management steering committee is studying the potential for local, multi-stakeholder collaboration on uses of coastal lands and waters. The effort will include local pilot projects that will investigate new approaches for managing Maine's embayments and 	<ul style="list-style-type: none"> ✓ The Maine Coastal Program at the State Planning Office and the departments of Marine Resources and Environmental Protection are conducting a bay management study to determine how to balance recreational and economic uses of Maine's coastal waters. In the winter and 	<ul style="list-style-type: none"> ✓ A bay management study will be submitted to the Legislature in January 2007 recommending increased local involvement in marine resource management, enhanced data for decision-making, support for regional initiatives, and developing new funding sources.

		<p>determine methods of resolving user conflicts.</p> <ul style="list-style-type: none"> ✓ The Working Waterfront Coalition proposes to purchase development rights for existing working waterfront property. Working fishing villages are important tourism draws for many coastal communities. 	<p>spring of 2005, a series of public meetings was held along the Maine coast to gather information on existing uses and conflicts in nearshore waters, as well as to learn what is working and not working with regard to marine governance. A bay management steering committee, composed of eight members of the public with various expertises in coastal issues, provides direction to the study.</p> <ul style="list-style-type: none"> ✓ Two pilot projects, one in Muscongus Bay and one in Taunton Bay, will be completed in the spring of 2006; the results of these projects will be used by the Land and Water Resources Council, in conjunction with the other information collected, to inform their recommendations to the Legislature in January 2007. 	<ul style="list-style-type: none"> ✓ The Muscongus Bay and Taunton Bay pilot projects were completed in 2006. Each project assembled stakeholders to discuss the management of the areas' nearshore resources. The projects demonstrated ways for towns and stakeholders to work collaboratively on marine resource planning and management on a regional basis.
Some	24. Create a clearinghouse of natural resource policy initiatives	<ul style="list-style-type: none"> ✓ The State Planning Office created a website that lists current projects and initiatives. 	<ul style="list-style-type: none"> ✓ The State Planning Office maintains a limited website of articles, reports, studies, and research. 	<ul style="list-style-type: none"> ✓ The State Planning Office maintains a limited website of articles, reports, studies, and research.
Good	25. Formalize the work of the Blaine House Conference on Natural Resource-based Industries planning committee into a standing steering committee to the Governor	<ul style="list-style-type: none"> ✓ The Governor appointed a standing committee to oversee the implementation of the conference recommendations. The steering committee meets quarterly and reports progress to the Governor annually. ✓ The steering committee publishes a quarterly newsletter to update conference participants 	<ul style="list-style-type: none"> ✓ The Governor's Steering Committee on Maine's Natural Resource Industry meets quarterly. Since the steering committee was appointed in spring 2004, it has: <ul style="list-style-type: none"> ○ monitored departmental efforts to implement the conference recommendations; 	<ul style="list-style-type: none"> ✓ The Governor's Steering Committee on Maine's Natural Resource Industry continued to oversee the implementation of the Blaine House Conference recommendations. In 2006, it: <ul style="list-style-type: none"> ○ hosted a forum on how to grow local agriculture in Maine and endorsed the development of a food

		on progress.	<ul style="list-style-type: none"> o developed an indicators report that will allow us to assess the health of the natural resource-based industries over time; o launched an electronic newsletter to keep conference participants informed of progress; o issued its first annual progress report to the Governor documenting “some progress” or “good progress” on 89% of the recommendations; o supported legislative proposals to benefit our nature-based industries; and o hosted three forums exploring issues that cut across the sectors’ boundaries. 	<p>policy for Maine;</p> <ul style="list-style-type: none"> o developed a white paper on the state of Maine’s green infrastructure and hosted a one-day forum to assess if there was sufficient willingness among sectors to collaborate on a proposal for funding Maine’s green infrastructure; o issued its second annual report to the Governor that documents “some progress” or “good progress” on 95% of the conference recommendations; and o supported legislative proposals to benefit our nature-based industries.
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Public Infrastructure

Progress	Conference Recommendation	2004 Activities	2005 Activities	2006 Activities
Some	26. Give priority to the implementation of the MaineDOT’s <i>Explore Maine</i> passenger transportation plan	✓ The MaineDOT continues to develop funding programs and invest in transportation needs that support implementation of <i>Explore Maine</i> .	✓ The Maine Port Authority, through its CruiseMaine marketing program, is working to induce cruise ship passengers to return to Maine for extended vacations. Roughly 140,000 visitors come to Maine each year	✓ The seasonal shoreline explorer transit system was launched in the coastal communities of York, Ogunquit, Wells, Sanford, Kennebunk, and Kennebunkport.

			<p>by cruise ship. Research shows that roughly 1/3rd of these passengers can be drawn back to Maine within two years of their cruise visit. The Authority is also working on educating travel agents on the coastal Maine cruises which are offered by the three small cruise lines that homeport in Maine during the summers to increase passenger counts on these voyages.</p> <p>✓ Excursion rail service was introduced on the Rockland branch rail line; a new seasonal transit system was kicked off in Bethel; and MaineDOT continues work with Acadia National Park and Friends of Acadia to develop of a joint, intermodal facility and park visitor center.</p>	
Some	27. Give priority to the implementation of the MaineDOT's integrated freight plan	<p>✓ The MaineDOT continues to develop funding programs and invest in transportation needs that support implementation of the integrated freight plan.</p>	<p>✓ The Office of Freight Transportation is preparing the third integrated freight plan. It is expected to be completed by late spring 2006.</p>	<p>✓ The Office of Freight Transportation has drafted its integrated freight plan.</p>
Some	28. Set up an interagency working group to identify infrastructure and services necessary to support Maine's natural resource-based industries	<p>✓ The Dept of Marine Resources, the Working Waterfront Coalition, and the Maine Coastal Program help manage coastal development to protect infrastructure and support businesses for the fishing industry.</p> <p>✓ The MaineDOT regularly seeks input from state agencies and works with economic development districts to get</p>	<p>✓ Voters favored a \$1.5 million bond in November 2005 for the Small Harbor Improvement Program.</p> <p>✓ The Maine Port Authority is working with private industry to identify more economical transportation options to move goods between Maine and other US and foreign locations via short sea shipping, sometimes</p>	<p>✓ A coalition has been formed to sustain and enhance "green infrastructure" in Maine, such as parks and historic sites, trails, boat ramps, fish stocking, beach nourishment and water quality improvements, and working land conservation.</p> <p>✓ FERMATA pilot regions have submitted funding requests to MaineDOT to be considered in</p>

		input on priority investments for transportation infrastructure.	<p>referred to as the blue highway.</p> <ul style="list-style-type: none"> ✓ The MaineDOT regularly seeks input from state agencies and works with economic development districts to get input on priority investments for transportation infrastructure. Currently they are focused on supporting the FERMATA initiative. ✓ The Governor's Council on the Sustainability of the Forest Products Industry recommends increasing truck weight limits on Maine highways. ✓ The Dept of Marine Resources is working with the State Planning Office to develop the working waterfront pilot program (pending voter approval of bond funding) that will help retain commercial waterfront infrastructure to support the fishing industry. 	<p>the FY08-09 work plan for infrastructure projects to support nature tourism.</p> <ul style="list-style-type: none"> ✓ MaineDOT transferred \$75,000 to the DECD to create itineraries that promote scenic byway designations for nature tourism. ✓ MaineDOT has distributed \$700,000 in Small Harbor Improvement grants to improve public access for commercial fishing and tourism. ✓ MaineDOT continues to work with Maine's Congressional delegation on federal legislation that would increase truck weights on Maine's interstate highway system. ✓ In September 2006, Governor Baldacci issued an Executive Order to facilitate rail expansion in the state. The Order lays out planning and coordination responsibilities of various public and private entities to assess development possibilities of expanded passenger rail. A report is due December 1, 2006. ✓ The Working Waterfront Access Protection Pilot Program will help retain commercial waterfront infrastructure to support the fishing industry.
Good	29. Create a state strategic plan for developing and maintaining public	✓ Although no formal strategic planning process is underway, the MaineDOT three-port strategy identifies and funds	✓ The Maine Port Authority has been working with private terminal operators to identify needs for warehousing in each of	✓ Currently warehouse capacity at the three major port facilities in Eastport, Searsport, and Portland is adequate for the cargo being

	warehouse capacity	warehousing needs to support the viability of businesses at those ports.	the three deep water commercial ports. In Searsport this has resulted in two new warehouses being built during 2005; including a 30,000 sf. warehouse to serve the needs of northern Maine starch facilities and a 60,000 sf. warehouse that handles imported wood pulp and rolled paper exports for paper mills in central and northern Maine. A 60,000 sf. warehouse in Portland is under construction and will be completed by the end of the year. This warehouse will serve a variety of forest products manufacturers.	handled. This is due to the private sector investment in new facilities in Searsport and Portland in recent years. The Maine Port Authority, along with the private operators, continually monitors this situation to insure that, as new cargo opportunities are identified, appropriate facilities are available for the storage of these products.
Good	30. Continue to support state investment to construct affordable workforce housing	✓ A housing bond is under consideration.	✓ The Maine State Housing Authority has issued \$7.5 million authorized for affordable housing construction. The remaining \$500,000 in unissued bonds is projected to be spent down in 2005.	✓ The remaining unissued \$500,000 from the 2005 affordable housing bond was spent for affordable single family housing.
Good	31. Increase the development and placement of historical and interpretive signage	✓ The departments of Economic and Community Development and Transportation have been working on a statewide tourism signage program.	✓ FERMATA's Strategic Plan for Implementing Maine's Nature-based Tourism Initiative recommends the placement of highway directional signs to support regional tourism itineraries developed as part of the initiative.	✓ MaineDOT includes historical and interpretative signage in their projects (i.e. the Kennebec Chaudière scenic turnout in Hallowell, the bridge replacement project in Prospect/Verona). ✓ Tourism stakeholders have begun to identify signage needs for Maine's three FERMAT pilot regions to promote natural, historical, and cultural sites for tourism.

Agriculture

Progress	Conference Recommendation	2004 Activities	2005 Activities	2006 Activities
Good	32. Establish a statewide policy on water use for agricultural purposes	<ul style="list-style-type: none"> ✓ The Dept of Agriculture has produced a 5-year water management plan. It is working with an advisory committee to develop a model process to manage water withdrawals during low-flow periods. ✓ The Dept of Agriculture is working with other state agencies to coordinate water withdrawal strategies. 	<ul style="list-style-type: none"> ✓ A new irrigation guide for farmers was developed and distributed under the Dept of Agriculture's water advisory committee. The committee developed recommendations and provided them to the Dept of Environmental Protection for consideration as part of the low flow standards that they are developing. ✓ The Dept of Agriculture coordinates with the farm community through the Ag Water Advisory Committee and other state agencies on water issues. The DEP is charged with drafting rules for withdrawal limits on rivers and ponds. The Maine Geological Survey has started a similar process for groundwater withdrawals. 	<ul style="list-style-type: none"> ✓ The Maine Farm Bureau, Maine Potato Board, Agriculture Council of Maine, and Maine Wild Blueberry Commission initiated legislation to establish an Agricultural Water Management Board, which the Legislature passed. The bill gives the board overall authority to manage water source development and replaces the Dept of Agriculture's water advisory committee. The law requires DEP to provide technical assistance with establishing low flow limits for farmers.
Good	33. Expand the Department of Agriculture's existing agricultural water development program	<ul style="list-style-type: none"> ✓ A traditional industries development bond is under consideration that includes funds for the Dept of Agriculture to continue its water source development grant program. 	<ul style="list-style-type: none"> ✓ Voters favored a \$1 million bond in November 2005 for the Agricultural Water Source Development grant program to help farmers and growers locate and implement alternative water sources to sustain their crops. 	<ul style="list-style-type: none"> ✓ The Dept of Agriculture has used \$1 million in bond funds approved by voters last year to fund 23 new water sources for irrigation.
None	34. Value working farmland	<ul style="list-style-type: none"> ✓ This would be a new initiative. The department will address it in successive years. 		

Some	35. Explore options for preserving farmland	<ul style="list-style-type: none"> ✓ The Dept of Agriculture has acquired federal farmland protection funds that requires match from the Land for Maine's Future program. The Governor has committed to proposing a new bond to replenish the LMF program. ✓ The Governor's tax reduction proposal, which includes permitting municipalities to value the homestead land of principle residences at current use, will help lower property taxes on some farms homes. 	<ul style="list-style-type: none"> ✓ In November 2005, voters favored \$10 million in bond funds to replenish the Land for Maine's Future Program that will help conserve productive farmland. 	<ul style="list-style-type: none"> ✓ Land for Maine's Future bond funds approved by voters last year supported nine farm projects preserving 1,100 easements acres of productive farm land. \$1 million out of the \$10 million bond was used for farmland conservation. ✓ LD 2, which would have helped counteract rising land values on farm homesteads died in the 122nd Legislature.
Some	36. Build on current agricultural land protection programs	<ul style="list-style-type: none"> ✓ The Dept of Agriculture has worked with individual communities to help them avoid enacting land use ordinances that would cripple farm operations. ✓ The Dept of Agriculture is working to strengthen Maine's <i>Right-to-farm</i> laws. 	<ul style="list-style-type: none"> ✓ The Dept of Agriculture will host a series of public meetings in the early winter to solicit input on the issues of best management practices, right-to-farm laws, and local ordinances. The intent is to gain guidance and to provide some education prior to formal rule-making on right-to-farm rules. ✓ On both farmland protection and right-to-farm issues, the Dept of Agriculture has created several information pieces to educate and inform the general public as well as specific audiences, such as landowners, town officials, and farmers. 	<ul style="list-style-type: none"> ✓ In conjunction with the State Planning Office, the Dept of Agriculture trained local code enforcement officers in farmland protection options. ✓ The Dept of Agriculture helps towns to develop strategies that promote agricultural best management practices, protect prime agricultural soils, sustain agricultural enterprise activities and build agri-tourism opportunities, as part of their comprehensive plans. ✓ The Dept of Agriculture conducted several landowners' workshops on the Farmland and Open Space Property Tax program and delivered a comprehensive, one-day workshop for municipal tax assessors.

Good	37. Create a Local Agricultural Development program	<p>✓ Governor Baldacci appointed a local agriculture task force to develop recommendations to strengthen local agriculture. Recommendations are due in December 2004.</p>	<p>✓ The Local Agriculture Task Force offered 33 recommendations in December 2004. The task force identified factors that limit success of local agriculture and suggested policies and programs to support and sustain local agriculture. The Dept of Agriculture has begun to implement these recommendations, as follows:</p> <ul style="list-style-type: none"> ○ A seminar on developing cooperatives to help growers create the infrastructure they need to expand into new markets. The interest was high; especially among meat and poultry producers who are looking to reduce their production costs and to add value to their product. ○ An exhibit to share information and ideas about ways to connect with local food producers, and to create a network of schools that are good models for others to follow at the Maine Association of School Lunch Program Managers program. ○ Provided signs to the Cross Café in the State Office Building to show that they feature Maine food items. The Cross Café has been sourcing local foods whenever possible through 	<p>✓ The Dept of Agriculture has begun to implement the recommendations from the Local Agriculture Task Force, as follows:</p> <ul style="list-style-type: none"> ○ provide grants and assistance to develop cooperatives, which help growers expand into new markets. Two new cooperatives are being formed organic milk and poultry producers. ○ assist the Maine Association of School Lunch Program Managers to source local foods; sponsoring an exhibit to share information and ideas about ways to connect with local food producers, and regularly attending their meetings to provide good models for others to follow. ○ assist the Cross Café in the State Office Building to source local foods whenever possible. <p>✓ The Dept of Agriculture convened the Food Policy Working Group during 2005, which produced recommendations to the Legislature. The group included representation from the farming, fisheries, and aquaculture industries. The result was the passage of a law creating a</p>
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			<p>their distributor. They are eager to connect with local farmers to feature fresh local produce.</p> <ul style="list-style-type: none"> ○ Work with the state Bureau of Purchases to revise their contract specifications for food service to state correctional facilities to include language that encourages food service companies to source local foods. <p>✓ The Commissioner of the Dept of Agriculture has convened a working group to review statutory provisions and to examine emerging issues related to food policy. The group includes representation from the fisheries and aquaculture industries. The intent is to develop food policies that support locally-produced food, which are critical to Maine's food security and rural economy.</p>	<p>council that will develop recommendations for the Governor and Legislature on food policies that support locally-produced food, and which are critical to Maine's food security and rural economy.</p>
None	38. Help commodity agricultural farms maintain or improve their cost competitiveness	<p>✓ The Dept of Agriculture is working with partners throughout the industry to implement the recommendations of the Governor's Task Force on the Dairy Industry.</p> <p>✓ The Dept of Agriculture will work with industry leaders to address issues that come out of the Maine Potato Board's summit this summer.</p>		

Aquaculture and Fishing

Progress	Conference Recommendation	2004 Activities	2005 Activities	2006 Activities
Some	39. Create the best possible outcomes for Maine fishermen from Amendment 13	<ul style="list-style-type: none"> ✓ The state has requested amicus status on behalf of Maine fishermen in the pending lawsuit against Amendment 13. ✓ State and federal government and industry organizations are working to develop management measures for those who presently have no access to the groundfish fishery to enable them to have such access. 	<ul style="list-style-type: none"> ✓ In the lawsuit against the National Marine Fisheries Service (NMFS) regarding Amendment 13, the Attorney General filed an amicus brief on the side of the defendants. The judge found largely in favor of the NMFS. ✓ The Dept of Marine Resources and fishing industry organizations continue to work through the New England Fisheries Management Council process to secure access for Maine's fishermen to the federal groundfish fishery. 	<ul style="list-style-type: none"> ✓ The Dept of Marine Resources and fishing industry organizations continue to work through the New England Fisheries Management Council process to secure access for Maine's fishermen to the federal groundfish fishery. ✓ The Dept of Marine Resources is working with the groundfish industry to develop a plan for the New England Fishery Management Council to consider in the upcoming groundfish amendment.
Some	40. Support the Groundfish Task Force	<ul style="list-style-type: none"> ✓ The Groundfish Task Force sent 31 recommendations to the Governor in summer 2004. Bond proposals are under consideration to address several initiatives. 	<ul style="list-style-type: none"> ✓ The Dept of Marine Resources continues to work with industry to develop the recommendations of the Groundfish Task Force, pending funding. Not all recommendations have received support from industry. ✓ Only the initiative to protect working waterfronts was included in the final 2005 bond package, which was approved by voters. 	<ul style="list-style-type: none"> ✓ The Governor met with groundfish industry representatives to hear their concerns before the Framework 42 adjustment to the Northeast Multi-species Management Plan goes into effect in November 2006. ✓ The Dept of Marine Resources hosted a meeting of groundfish and lobster industry representatives to discuss the state laws that prohibits draggers from landing lobster bycatch. ✓ Lack of funding has prevented implementation of many of the

				Groundfish Task Force recommendations, although the department has presented a list of funding needs for the groundfish industry.
Some	41. Restore the balance between conservation and resource use in the Sustainable Fisheries Act	<ul style="list-style-type: none"> ✓ The Dept of Marine Resources is working with Maine' congressional delegation to reauthorize the Sustainable Fisheries Act to: 1) provide equal weighting among the national standards, 2) provide greater flexibility in rebuilding over-fished stocks, and 3) establish fair and equitable national standards for implementing individual quota systems. 	<ul style="list-style-type: none"> ✓ The Dept of Marine Resources is taking an active role in the reauthorization of the Magnuson-Stevens Fishery Conservation and Management Act via our congressional delegation. 	<ul style="list-style-type: none"> ✓ The Dept of Marine Resources continues to monitor the reauthorization of the Magnuson-Stevens Fishery Conservation and Management Act via our Congressional delegation. A bill was passed in the US Senate in June 2006, but a companion House bill stalled.
Some	42. Facilitate consensus-building within the recreational and commercial fishing communities	<ul style="list-style-type: none"> ✓ The Dept of Marine Resources is working with industry, regional groups, and other state agencies to develop an industry coalition that will build consensus on certain matters and provide the fishing industry with a unified voice. 	<ul style="list-style-type: none"> ✓ The Dept of Marine Resources is working hard to encourage dialogue between resource users regarding aquaculture leases. There has been a concerted effort in recent months to allow for repeated, moderated encounters when there is a dispute over a particular area. ✓ The Maine Coastal Program at the State Planning Office and the departments of Marine Resources and Environmental Protection are conducting a bay management study to determine how to balance recreational and economic uses of Maine's coastal waters (see recommendation #23) ✓ The Dept of Marine Resources is 	<ul style="list-style-type: none"> ✓ The Dept of Marine Resources works to increase the compatibility of dragging, habitat protection, clamming, working, and other marine uses in the intertidal zone. ✓ A bay management study will be finalized by the Land & Water Resources Council in December with submission to the Legislature in January 2007. Recommendations will be offered to improve Maine's management of nearshore marine resources (see #23). ✓ The Muscongus Bay and Taunton Bay pilot projects were completed in 2006. Each project assembled stakeholders to discuss the management of the

			monitoring the formation of new organizations within the groundfish industry and beyond as members of industry struggle to find common ground on certain matters.	areas' nearshore resources and look for ways to collaborate on marine resource planning and management. (See #23)
Some	43. Direct the Dept of Marine Resources to undertake a long-range planning process	✓ The Dept of Marine Resources has conducted an internal review of its strengths and weaknesses and projections for the future and how it would get there. The department is soliciting public input from stakeholders and its advisory councils.	✓ In October 2005, the Penobscot East Resource Center and the Downeast Groundfish Initiative hosted a symposium to consider the scientific needs for developing ecosystem management in the offshore waters of the Gulf of Maine. The New England Fisheries Management Council had three stakeholder workshops in Maine to develop industry and public perspectives on how ecosystems management applies to federal fisheries management. DMR and members of the fishing industry participated in both events.	✓ The Dept of Marine Resources continues its long-range planning process.
Good	44. Support legislation to add "fisheries" to the list of purposes for which a conservation easement may be established	✓ The Dept of Marine Resources is working with the Working Waterfront Coalition to examine this proposal.	✓ The Dept of Marine Resources is working with the State Planning Office to develop the working waterfront pilot program that is intended to help purchase development rights of working waterfront properties in the form of easements.	✓ The State Planning Office has drafted a new legal entity called a "working waterfront covenant" for commercial fishing property easements.
Good	45. Support additional bond funding for the Small Harbor Improvement Program	✓ A proposal for bond funding is under consideration that includes funding for the Small Harbor Improvement Program.	✓ Voters favored a \$1.5 million bond in November 2005 for the Small Harbor Improvement Program.	✓ MaineDOT has distributed \$700,000 in Small Harbor Improvement grants to improve public access for commercial fishing and tourism.
Good	46. Support state funds for acquisition of public	✓ The Governor has committed to proposing a new bond for	✓ In November 2005, voters favored \$10 million in bond	✓ 31 new Land for Maine's Future projects were initiated in 2006

	water access sites through the Land for Maine's Future Program	consideration by the 122 nd Legislature to replenish the LMF program.	funds to replenish the Land for Maine's Future Program. Under law, 10%, or \$1 million, is set aside for the Water Access Fund.	with the proceeds of \$10 million approved by Legislature and voters in 2005. Four water access projects are underway from this funding.
Good	47. Explore the possibility of an infrastructure bond package to support commercial water access and key working waterfront facilities	✓ A traditional industries development bond is under consideration that includes funding to preserve working waterfronts.	✓ Voters favored a \$2 million bond in November 2005 for a Working Waterfront Access Pilot Program (as part of the Land for Maine's Future bond).	✓ The Land for Maine's Future is administering \$2 million approved by the Legislature and voters for a new Working Waterfront Access Protection Pilot Program. (See #1)
Good	48. Set priorities for cold water marine research	✓ The Maine Marine Research Coalition, which consists of state university and research institutions, works to prioritize and increase funding for marine research and education.	✓ See recommendations #49 and 50.	✓ See recommendations #49 and 50.
Good	49. Expedite the plan for the Maine Institute for Cold Water Aquaculture at the University of Maine	✓ The University of Maine has created the Center for Cooperative Aquaculture Research in Franklin, ME, also known as Maine Institute for Cold Water Aquaculture. The center collaborates with other state, federal, and private researchers and focuses on developing new aquaculture businesses.	✓ The Center for Cooperative Aquaculture research is operating at full steam ahead. A \$3M water distribution system has been built and is operational. ✓ The National Agriculture Research Service has a salmon genetics program underway in temporary quarters while progress continues on the construction of their National Laboratory facility, which will be on the grounds of the Center for Cooperative Aquaculture research in Franklin, ME. ✓ The University of Maine is developing a new laboratory specializing on aquatic animal health.	✓ The Center for Cooperative Aquaculture Research is now fully operational with ongoing research and demonstration projects including: <ul style="list-style-type: none"> ○ halibut aquaculture ○ sustainable cod farming ○ sea worm farming ○ sea urchin aquaculture ○ nori production trials ○ halibut brood stock nutrition ✓ The University of Maine hopes to win approval for an interdisciplinary Institute of Cold Water Research that will consist of oceanographers, biologists, physicist, and

			<ul style="list-style-type: none"> ✓ There are two separate companies in the 'business incubation facility.' One is growing marine worms and the other is growing Atlantic halibut. 	<p>engineers, as well as specialists that work on aquaculture.</p> <ul style="list-style-type: none"> ✓ The University of Maine aquatic animal health laboratory has hired a director and is conducting a search for a new extension veterinarian.
Good	50. Support bond funding for cold water marine research in the Gulf of Maine	<ul style="list-style-type: none"> ✓ In 2003, voters approved \$1 million for the Marine Infrastructure and Technology Fund and \$3 million for the Gulf of Maine Laboratory for research and development. ✓ A bond to increase funding for marine research did not pass the Legislature in 2004. A new marine research bond is under consideration. 	<ul style="list-style-type: none"> ✓ Voters favored a \$4 million bond in November 2005 for the Marine Infrastructure and Technology Fund administered by the Maine Technology Institute for competitive capital infrastructure grants to nonprofit marine research laboratories, institutions, and state governmental and quasi-governmental agencies. Includes funds to purchase the property known as Black Duck Cove on Great Wass Island to serve as the home of the Downeast Institute for Applied Marine Research and Education. 	<ul style="list-style-type: none"> ✓ Grants awarded by the Maine Technology Institute support aquaculture research. Specific grants include: <ul style="list-style-type: none"> ○ \$167,235 for the Dept of Marine Resources' West Boothbay Harbor facility to support lobster, urchin, aquaculture and educational research. ○ \$360,700 to enhance aquaculture research and incubation at the Darling Marine Center and to expand the business incubation facilities at the Center for Cooperative Aquaculture Research. ○ \$485,000 for the UM Center for Cooperative Aquaculture Research in Franklin to enhance its facilities in support of sustainable alternative marine aquaculture in Maine. ○ \$395,205 for the University of Maine to equip the Maine Aquatic Animal Health Lab. ○ \$255,000 for the University

				of Maine at Machias' Downeast Institute of Applied Marine Research for collaborative research on aquaculture and fisheries.
Good	51. Support the vision and principles for aquaculture established by the Aquaculture Task Force	<ul style="list-style-type: none"> ✓ The Legislature enacted the vision and principles laid out by the task force. 	<ul style="list-style-type: none"> ✓ Completed in 2004. 	<ul style="list-style-type: none"> ✓ Completed in 2004.
Good	52. Carefully review and, if appropriate, adopt the Aquaculture Task Force recommendations	<ul style="list-style-type: none"> ✓ The Legislature enacted several task force recommendations that required statutory authorization. ✓ The Dept of Marine Resources is undergoing rule-making to respond to some of the task force's recommendations about the aquaculture leasing process. ✓ A number of additional administrative recommendations will be implemented early next year. ✓ Some of the task force's research priorities are being pursued, although funding is constrained. ✓ The Dept of Marine Resources is working with the Center for Cooperative Aquaculture Research to establish model aquaculture operating standards and, together, they are working to ensure that Maine aquaculture businesses meet or exceed federal and state health requirements. 	<ul style="list-style-type: none"> ✓ In 2004, the departments of Economic and Community Development and Marine Resources traveled to Norway to examine new aquaculture methods. Norway's integration of research institutions, industry, and government is much stronger than the US, and we use that example as we construct programs such as veterinary extension at the University. ✓ We also recognized that Maine growers are in a stronger position to meet European organic certification requirements that will allow them to compete in niche markets. Because the US regulations are so stringent, many growers have completed most of the requirements for certification; while countries like Norway and Canada have to make those changes now in response to global environmental concerns. 	<ul style="list-style-type: none"> ✓ A number of improvements have been made in the Department of Marine Resources' aquaculture lease processes: <ul style="list-style-type: none"> ○ The department now holds scoping sessions in towns where leases are sought and encourages active community involvement. ○ The department requires lease holders to incorporate best management practices into their design, including color, height, and type of material to improve the aesthetics of facilities.

Some	53. Develop and implement an aquaculture public information plan	<ul style="list-style-type: none"> ✓ The Dept of Marine Resources is working with the state toxicologist to develop an educational brochure about Maine aquaculture. ✓ The Dept of Marine Resources is also working with the Dept of Agriculture and the Maine Aquaculture Association to develop an educational CD about the Maine aquaculture industry for the public and for school children. 	<ul style="list-style-type: none"> ✓ The Dept of Marine Resources is creating an educational brochure on how to acquire an aquaculture lease; printing is expected in February 2006. The project is funded by the Maine Coastal Program at the State Planning Office. 	<ul style="list-style-type: none"> ✓ A four-color, 8-page brochure, <i>Marine Aquaculture in Maine: How the Public can Participate in the Leasing Process</i>, was produced by Maine Sea Grant, Dept of Marine Resources, Maine Coastal Program, and Maine Aquaculture Association and distributed at trade shows, conferences, and public meetings. Also available on the Internet, it will improve understanding of and increase participation in the department's process for leasing public submerged lands for aquaculture production. ✓ The Dept of Marine Resources is working with DEP and the State Toxicologist to develop a brochure for display at retail fish counters to answer consumer questions about farm-raised fish.
Good	54. Encourage other state agencies to support aquaculture	<ul style="list-style-type: none"> ✓ The departments of Agriculture, Economic and Community Development, Environmental Protection, and Marine Resources are working to identify the needs of the industry and to create opportunities for addressing concerns. ✓ The departments of Economic and Community Development and Marine Resources traveled to Norway to examine new aquaculture methods. 	<ul style="list-style-type: none"> ✓ The Maine Aquaculture Association exhibited at the Eastern States Exposition agricultural trade show again this year. This is excellent exposure for the industry and helps to keep them connected to the rest of Maine's food industry groups. ✓ Local seafood is a feature of <i>Maine Menus Month</i> sponsored by the Dept of Agriculture and the Maine Restaurant Association. ✓ Fisheries and aquaculture industries participate in the Dept 	<ul style="list-style-type: none"> ✓ The Dept of Agriculture works to maintain a federal program to control infectious salmon anemia in farm raised fish. ✓ DECD assists with developing new aquaculture initiatives. ✓ The newly-created Maine Food Policy Council consists of 15 members, which represents the farming and aquaculture and fisheries sectors. The council will develop a strategic plan to support locally-produced food. ✓ The Maine Aquaculture

			of Agriculture's food policy working group to develop policies that support locally-produced food.	<p>Association exhibited at the Eastern States Exposition agricultural trade show. This is excellent exposure for the industry and keeps them connected to the rest of Maine's food industry groups.</p> <p>✓ The Dept of Agriculture is looking at making aquaculture products part of their <i>Get Real, Get Maine</i> campaign.</p>
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Forestry

Progress	Conference Recommendation	2004 Activities	2005 Activities	2006 Activities
Good	55. Identify strategies to recruit and retain loggers	<p>✓ The Governor's Advisory Council on the Sustainability of the Forest Products Industry in Maine will offer recommendations in December 2004.</p> <p>✓ The Professional Logging Contractors of Maine has launched a master's logger program to certify loggers.</p>	<p>✓ The number of logging firms certified under the Master Logger Certification Program has increased from 27 firms in 2002 to 97 firms in 2005.</p> <p>✓ The Dept of Conservation is collaborating with the Small Business Development Center, Small Business Administration, and the Finance Authority of Maine to develop a curriculum to provide loggers with specialized business skills and preferential access to capital resources. This logger business training and loan program is anticipated to be completed in the winter of 2006.</p> <p>✓ The Governor's Council on the</p>	<p>✓ The number of logging firms certified under the Master Logger Certification Program increased from 97 firms in 2005 to 120 firms in 2006. Master loggers now account for an estimated 43% of the total volume of wood harvested from Maine's forests.</p> <p>✓ The Maine Forest Service works with others to improve the economic situation for loggers, including:</p> <ul style="list-style-type: none"> ○ DEP, Maine Municipal Bond Bank, and Professional Logging Contractors of Maine to develop a low-interest loan

			<p>Sustainability of the Forest Products Industry recommends:</p> <ul style="list-style-type: none"> ○ establishing a logger loan program structured to the specific needs of loggers and especially targeted to encourage long-term contracts for wood; ○ developing an apprenticeship program for loggers to encourage on-the-job training of new loggers; and ○ supporting Northern Maine Community College's training program for "Mechanical Tree Length Forestry Operations." 	<p>program for acquisition of capital equipment tied to water quality protection; and</p> <ul style="list-style-type: none"> ○ DECD, Small Business Development Center, and Professional Logging Contractors of Maine to develop a business training program that would facilitate loggers' access to business loans.
Some	56. Examine ways to reduce energy costs	<p>✓ The Governor's Advisory Council on the Sustainability of the Forest Products Industry in Maine will offer recommendations in December 2004.</p>	<p>✓ The Governor's Council on the Sustainability of the Forest Products Industry recommends:</p> <ul style="list-style-type: none"> ○ growing Maine's electricity market and diversifying fuel sources available to Maine; and ○ adopting electricity and conservation delivery policies which promote manufacturing in Maine. ○ See also recommendation #19 	<p>✓ The 2006 Omnibus Energy Bill was enacted to reduce and stabilize electricity prices. (See #19)</p> <p>✓ The Maine Forest Service works with the Governor's energy office and others to increase the use of biomass fuel that could diversify Maine's energy mix and reduce our reliance on foreign oil.</p> <p>✓ DECD and Maine Forest Service coordinates with others to develop biobased projects such as the UMaine Environmental Program to Stimulate Competitive Research (EPSCoR) \$7 million funding to make UMaine a leader on biorefinery</p>

				research and development.
Some	57. Examine ways to reduce transportation costs	<ul style="list-style-type: none"> ✓ The Governor's Advisory Council on the Sustainability of the Forest Products Industry in Maine will offer recommendations in December 2004. 	<ul style="list-style-type: none"> ✓ The Governor's Council on the Sustainability of the Forest Products Industry recommends: <ul style="list-style-type: none"> ○ repealing the personal property tax on business equipment; ○ increasing truck weight limits on Maine highways; and ○ inventorying issues related to rail service and working collaboratively to address these issues. ○ See also recommendation #28 	<ul style="list-style-type: none"> ✓ MaineDOT continues to work with Maine's Congressional delegation on federal legislation that would increase truck weights on Maine's interstate highway system.
Good	58. Examine state tax policies and their impact on investment in forestry	<ul style="list-style-type: none"> ✓ The Governor's Advisory Council on the Sustainability of the Forest Products Industry in Maine will offer recommendations in December 2004. 	<ul style="list-style-type: none"> ✓ PL 2005, c. 416 reduces capital gains tax on sustainably managed timberland held for at least 10 years. ✓ Legislative Resolve 28 (Resolve to Support Long-term Forest Management and Sound Silviculture) directs the Maine Forest Service to develop recommendations for policies to support long-term forest management and sound silviculture, pending funding. 	<ul style="list-style-type: none"> ✓ P.L. 2005, ch. 623 repeals the personal property tax on business equipment, effective April 1, 2008.
Some	59. Analyze how to make Maine's forest products industry more competitive	<ul style="list-style-type: none"> ✓ The Dept of Conservation is developing a strategic plan for what Maine state government can do to support the industry and what industry can do to improve its economic strength. The department contracted with 	<ul style="list-style-type: none"> ✓ The <i>Maine Future Forest Economy Project</i>, a year-long analysis of the state's forest products manufacturing industry, spells out 19 recommendations for improving the ability of Maine forest product 	<ul style="list-style-type: none"> ✓ P.L. 2005, ch. 623 repeals the personal property tax on business equipment, effective April 1, 2008. ✓ The Maine Forest Service has outlined an implementation

		<p>Innovative Natural Resource Solutions, Inc. to assess the health of the sector and initial findings are promising. A report will be delivered to the Governor's Advisory Council on the Sustainability of the Forest Products Industry by the end of the year.</p>	<p>manufacturers to compete globally.</p> <ul style="list-style-type: none"> ✓ In addition, the Governor's Council on the Sustainability of the Forest Products Industry has offered 21 recommendations for improving the competitiveness of Maine's forest product industry nationally and internationally. ✓ The Administration is working to implement the #1 recommendation from these efforts, which is to eliminate the personal property tax on business equipment and machinery. A joint effort to implement the other recommendations is being explored between the state and forest products industry. ✓ The Advanced Engineered Wood Composite Center at the University of Maine is a state-of-the-art facility for composites research and development. The center is being expanded with funding from a jobs bond authorized by voters in June 2003. 	<p>strategy for the <i>Future Forest Economy</i> report and seeks funding from a variety of sources. The strategy assumes a collaborative effort with industry, other agencies, and environmental and nongovernmental organizations for implementation.</p> <ul style="list-style-type: none"> ✓ The Advanced Engineering Woods Composite Center at the University of Maine continues to position Maine as an international leader in wood composites R & D: <ul style="list-style-type: none"> ○ Develop patent applications for formulation of wood composite materials, such as Delta Strand Lumber, which uses low grade maple (very abundant in Maine) and is twice as strong as conventional lumber. ○ Developed new, structural applications for wood plastic composites; designed and built two facilities utilizing these composites - a retaining wall at Maine Maritime Academy and a U.S. Coast Guard pier in Jonesport. ○ Expanded its wood plastic composites pilot plant (with funding from industry and Maine Technology Institute) that positions Maine as a world leader in these high
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				<p>market growth products (note: products are manufactured from recycled sawdust and plastic and are typically used for residential decking and railings). This plant assists companies (Correct Building Products, Hancock Lumber, for example) with product development and testing.</p> <ul style="list-style-type: none"> o Continued to expand its chip board and strand lumber pilot plant (funded by the 2003 Jobs Bond) to provide technical assistance and product development and testing support for the industry.
Some	60. Determine the attitudes of Maine citizens regarding the forest products industry	<ul style="list-style-type: none"> ✓ The Future Forestry Economy report, due to be completed by year-end, will assess how citizens view Maine's forest products industry. 	<ul style="list-style-type: none"> ✓ As part of the Future Forestry Economy Project, researchers commissioned a survey of public attitudes conducted by Strategic Marketing Services of Portland, Maine in September 2004. They found that Maine citizens value the forest products manufacturing industry, and support efforts to support the industry as it moves forward in a time of increasing global competition. ✓ The Maine Forest Service is working with the University of Maine, the Maine Tree Foundation, and the Small Woodlot Owners Association of Maine to launch a coordinated effort to educate the public on 	<ul style="list-style-type: none"> ✓ Collaborative efforts are underway on a modest scale with the Maine Tree Foundation, University of Maine, Small Woodlot Owners Association of Maine, and Maine Forest Service to help Maine citizens, legislators, opinion leaders, and others understand the importance of active forest management.

			the importance of Maine's forests and forest products industry.	
Good	61. Develop creative partnerships between managed forests and tourism and outdoor recreation	<ul style="list-style-type: none"> ✓ The Governor's Advisory Council on the Sustainability of the Forest Products Industry in Maine will offer recommendations in December 2004. 	<ul style="list-style-type: none"> ✓ The Governor's Council on the Sustainability of the Forest Products Industry recommends developing creative partnerships between managed forests and outdoor recreation and tourism in conjunction with the implementing Maine's Nature Tourism Initiative. ✓ FERMATA has offered recommendations as part of the Maine Nature Tourism Initiative for managing recreational use of forest lands. ✓ The Governor's Task Force on Traditional Uses and Public Access to Lands in Maine will recommend actions shortly for assuring public access on lands traditionally available for public use. ✓ In November 2005, voters favored \$10 million in bond funds to replenish the Land for Maine's Future Program, which will provide funding for forest conservation easements and well as preserve lands for tourism and outdoor recreation. ✓ Maine has participated with three other northern forest states to evaluate the results of the Northern Forest Lands Council report; a major thrust of which is 	<ul style="list-style-type: none"> ✓ Multi-use lands are supported through efforts such as Land for Maine's Future and US Forest Service's Forest Legacy programs, Governor's Task Force on Traditional Uses and Public Access to Lands, and Bureau of Parks and Lands management plans, and others. (See #22) ✓ Under PL 2006, Resolve 197, the Dept of Conservation worked with partners to secure traditional use recreational opportunities. (See #72). A coordinated effort has been made to enhance snowmobile opportunities in Northern Maine. Public meetings and significant outreach has been done to achieve this goal.

			to support the economies of the northern forest area, which are largely based on forest products and tourism. These states are now working to implement the report recommendations.	
Good	62. Replenish the Land for Maine's Future Program	<ul style="list-style-type: none"> ✓ The Governor has committed to proposing a new bond for consideration by the 122nd Legislature to replenish the LMF program. 	<ul style="list-style-type: none"> ✓ In November 2005, voters favored bond funds to replenish the Land for Maine's Future Program. 	<ul style="list-style-type: none"> ✓ Land for Maine's Future bond funds approved by voters last year supported five forest land conservation projects, preserving 95,000 easement acres and 8,500 fee acres for productive forest lands and recreation.
Good	63. Use the state's forest certification initiative to enhance marketing of Maine's forest products	<ul style="list-style-type: none"> ✓ 6.6 million acres of Maine forest are certified. Six mills and one sawmill are certified or soon will be. ✓ IP and Mead/Westvaco have announced a preference for certified wood and guar-anteed a market. Time, Inc. increased purchases in Maine 11% in 2003 because of certification. 	<ul style="list-style-type: none"> ✓ 7.25 million acres of Maine forest are certified. Most of Maine's paper and saw mills are certified or soon will be. ✓ Market demand for certified wood and paper is increasing. International Paper and New Page have announced a preference for certified wood. Time, Inc. increased purchases in Maine 12% in 2004 because of certification. Domtar now buys FSC certified pulpwood and uses it to produce FSC certified "Earth Choice" paper. ✓ Harvest volume from Master Loggers has increased 3-fold. ✓ The Maine State Housing Authority has developed and adopted a "Green Building" standard for projects involving MSHA's funds/financing. ✓ The State Division of Purchases has adopted an "environmentally 	<ul style="list-style-type: none"> ✓ Nearly 6.8 million acres of Maine forest are certified. Most of Maine's largest paper and saw mills are certified. ✓ Hancock Lumber has begun marketing FSC-certified dimension lumber at its Brunswick store. ✓ The Maine Forest Service is undertaking a television campaign to encourage consumers to purchase Maine certified wood. It has: <ul style="list-style-type: none"> o commissioned the University of Maine to conduct focus groups to develop ads, which will be aired by WGME and Time Warner Cable in late November for six months. The University will survey viewers before and after the ads are aired to measure their effectiveness.

			preferable purchasing policy” and a procurement policy for state purchases of wood-based materials from certified sources.	<ul style="list-style-type: none"> o created a website with its own domain to direct purchasers to sources of Maine certified wood products. o Coordinated sponsorship of programs and news bumps that tie in the campaign and website <p>✓ The Maine Forest Service is planning a trade mission to New York City to promote certified wood from Maine.</p>
Some	64. Focus on the unique attributes and competitive advantage of Maine’s wood species to grow this industry	<p>✓ Under the Dept of Conservation’s Future Forestry Economy Project, due to be completed at year-end, research is being conducted about Maine’s competitive advantages.</p>	<p>✓ The Future Forestry Economy project assesses the competitive advantages of Maine’s wood species and outlines how to grow the forest products industry based on these advantages.</p>	<p>✓ The Future Forestry Economy project assesses the competitive advantages of Maine’s wood species and outlines how to grow the forest products industry based on these advantages.</p>
Some	65. Evaluate the potential of carbon trading	<p>✓ The Dept of Environmental Protection is preparing a carbon sequestration study to present to the 122nd Legislature.</p> <p>✓ The Dept of Conservation is developing a plan to connect good forestry practices to carbon sequestration on a voluntary basis.</p>	<p>✓ The Maine Forest Service is working with the USDA Forest Service and other northeastern states to develop a protocol for forestry carbon offset projects and to refine our understanding of how Maine’s forests could be managed to sequester (store) more carbon or reduce forest emissions. The goal is to create markets for carbon-friendly forest management in Maine, and hence, payments to Maine landowners for such management.</p>	<p>✓ A protocol for carbon offset projects has been developed that will help promote carbon-friendly forests.</p> <p>✓ The Maine Forest Service continues to refine its understanding of carbon sequestration to reduce atmospheric greenhouse gas.</p> <p>✓ The Maine Forest Service continues to participate in national and regional efforts to develop markets for carbon off-set projects and other ecosystem services.</p>
Some	66. Create a “market development alliance”	<p>✓ The Governor’s Advisory Council on the Sustainability of</p>	<p>✓ This recommendation is being pursued as part of the effort to</p>	<p>✓ The Western Maine Forest Resources Training Consortium</p>

	to focus on entrepreneurship and develop outreach and education programs and mentoring opportunities	the Forest Products Industry in Maine will offer recommendations in December 2004.	implement the Future Forestry Economy project.	was founded. Maine Dept of Labor supported an area-wide Business Visitation Program to assess industry training and education needs.
Good	67. Track forestry industry information needs	✓ The Governor's Advisory Council on the Sustainability of the Forest Products Industry in Maine will offer recommendations in December 2004.	<ul style="list-style-type: none"> ✓ The report from the Future Forestry Economy Project provides up-to-date, comprehensive information on the state of the forest industry. ✓ The Maine Forest Service will continue its annual five-year forest inventory effort with support from the USDA Forest Service, pending funding. 	<ul style="list-style-type: none"> ✓ The Maine Forest Service will continue to produce its biennial <i>State of the Forest</i> report and periodic reports on implementation of best management practices to protect water quality. ✓ The Maine Forest Service is developing a methodology to monitor and report on multiple resource values affected by timber harvesting. ✓ The Maine Forest Service continues its program to develop and track indicators of forest sustainability.
None	68. Examine trade policies that contribute to declines in forestry manufacturing	✓ The Governor's Advisory Council on the Sustainability of the Forest Products Industry in Maine will offer recommendations in December 2004.	✓ The Future Forestry Economy Project report assesses the impact of some trade policies.	

Nature Tourism and Outdoor Recreation

Progress	Conference Recommendation	2004 Activities	2005 Activities	2006 Activities
Good	69. Convene a development	✓ The Dept of Economic and Community Development has	✓ In July 2005, the University of Maine and University of	✓ The University of Maine System's new Center for

	committee to develop degree, research, and extension programs in hospitality and recreation	<p>worked with state, university, and community college officials as well as tourism industry representatives to explore the need for additional educational offerings.</p> <ul style="list-style-type: none"> ✓ The University of Maine System, University of Maine, and University of Southern Maine propose to develop a Center for Tourism Research and Outreach that will provide objective research and high-quality information to assist with tourism development. ✓ The Maine Community College System proposes to create a Tourism Education Investment Fund to support changing workforce needs and new opportunities in the tourism industry. Pending funding, it would support: seed money to start or expand academic programs, customized training, on-line courses and programs, and entrepreneurial training targeted to tourism-related businesses. 	<p>Southern Maine collaborated to create the new Center for Tourism Research and Outreach. Work is underway to assist tourism businesses with research and education.</p> <ul style="list-style-type: none"> ✓ A Maine Tourism Advisory Committee has been formed to advise and monitor the University's efforts. ✓ The Maine Community College System received \$50,000 in FY06 and \$100,000 in FY07 for a Tourism Training Initiative. Tourism business representatives are being consulted to determine the types of training and education to be developed. 	<p>Tourism Research and Outreach (CenTRO) coordinates research, outreach, and educational programs related to recreation and tourism within the state. Its website contains a listing of tourism educational resources.</p> <ul style="list-style-type: none"> ✓ Beginning in the fall 2006 semester, the University of Maine Hutchinson Center in Belfast offered the first two courses for a certificate in tourism. ✓ The Maine Community College System's tourism training initiative resulted in: <ul style="list-style-type: none"> ○ An industry conference and series of pilot workshops on customer service delivered by the York County and Eastern Maine community colleges that trained 160 tourism line employees. ○ An "Extraordinary Service" workshop that will be offered this fall for ski areas and more broadly next spring for the upcoming 2007 summer season.
Some	70. Broaden the Dept of Economic and Community Development's tourism capabilities	<ul style="list-style-type: none"> ✓ The Office of Tourism has begun to look more broadly at tourism infrastructure planning and tourism strategic planning, including partnerships and planning of destination resort infrastructure. 	<ul style="list-style-type: none"> ✓ The Dept of Economic and Community Development's tourism planning and development capabilities will be enhanced in response to several of the FERMATA recommendations. 	<ul style="list-style-type: none"> ✓ DECD is providing staff support to the three FERMATA pilot regions to support regional nature tourism development.

Some	71. Improve tourism and recreation business incentives	<ul style="list-style-type: none"> ✓ The Governor's initiative to use public funds to stimulate private investment in civic, convention, and cultural facilities will assist tourism-related arts and cultural events. 	<ul style="list-style-type: none"> ✓ The Dept of Economic and Community Development continues to develop LD 192, which was introduced during the first session of the 122nd Legislature, to provide tax incentives for new recreational lodging. 	<ul style="list-style-type: none"> ✓ Following passage of LD 192, DECD conducted six listening sessions in rural regions, in partnership with tourism industry stakeholders, to determine the most effective array of tax incentives. They will compile the results by year end for a full report in 2007.
Good	72. Coordinate recreational land-use management	<ul style="list-style-type: none"> ✓ The Governor created the Task Force on Traditional Uses and Public Access to Lands in Maine to formulate recommendations about how best to address the issues relating to access to land for traditional uses. A final report and recommendations will be produced by September 1, 2005. 	<ul style="list-style-type: none"> ✓ The Governor's Council on the Sustainability of the Forest Products Industry recommends developing creative partnerships between managed forests and outdoor recreation in conjunction with implementing the nature tourism initiative. ✓ FERMATA has offered recommendations as part of the Maine Nature Tourism Initiative for managing recreational use of forest lands. ✓ The Governor's Task Force on Traditional Uses and Public Access to Lands will recommend actions for assuring public access on lands traditionally available for public use. ✓ In November 2005, voters favored bond funds to replenish the Land for Maine's Future Program, which will provide funding for forest conservation easements and well as preserve lands for tourism and outdoor recreation. 	<ul style="list-style-type: none"> ✓ Multi-use lands are facilitated through Land for Maine's Future and US Forest Service's Forest Legacy programs, Governor's Task Force on Traditional Uses and Public Access to Lands, Bureau of Parks and Lands management plans, and others. (See #22) ✓ Under PL 2006, Resolve 197, the Dept of Conservation worked with partners to secure traditional use recreational opportunities. For example: <ul style="list-style-type: none"> ○ A new boat launch on Wytovitlock Lake in Glenwood Plt ○ 40 acres in Milo to secure an important snowmobile trail and bridge ○ 9-acre parcel abutting the Katahdin Iron Works for a multi-use trail ○ 85-mile multi-use trail from Ellsworth to Pembroke ✓ The Dept of Conservation has incorporated FERMATA

				projects into its planning and programs; specifically for Downeast and Seboomook management plans, which will be complete this year.
Some	73. Establish processes to bring sustainable development criteria into tourism planning	<ul style="list-style-type: none"> ✓ The University of Maine System, University of Maine, and University of Southern Maine propose to develop, pending funding, a Center for Tourism Research and Outreach that will provide objective research and high-quality information to assist with tourism development. 	<ul style="list-style-type: none"> ✓ In September 2005, the Maine Tourism Commission adopted a set of guiding principles for experiential tourism development. Developed by the Commission's Natural Resource Committee, the principles are designed to be a reference document for state, regional, and local stakeholders involved in tourism development. 	<ul style="list-style-type: none"> ✓ The Maine Tourism Commission directed the natural resources committee (now called the resource product and development committee) to inventory and assess current state, regional, and local tourism development initiatives, determine their effectiveness, and identify means of collaboration. ✓ CentTRO is working with the Maine Tourism Commission's resource product and development committee to understand the impact of tourism on the state's natural resources as FERMATA recommendations are implemented. ✓ The sustainable tourism subcommittee of the Gulf of Maine Council promotes sustainable tourism. It will survey tourism businesses within the region to determine the level of awareness of best management practices and their benefits. From this, the council will build a community-based workshop to advance sustainable tourism development guidelines. ✓ The Maine Coastal Program, the departments of Conservation,

				Marine Resources, and Environmental Protection, and a group of stakeholders called for an integrated beach management program to address lack of access and to mitigate pollution, erosion, and other hazards.
Good	74. Increase the state's capacity to provide certain technical assistance to municipalities seeking tourism industry growth	<ul style="list-style-type: none"> ✓ The Dept of Economic and Community Development has contracted with Fermata, Inc., a nationally-recognized consulting firm, to enhance nature tourism in three demonstration areas: 1) Western Mountains, 2) Downeast/Calais, and 3) Greenville, Millinocket, The Forks, and southern Piscataquis County. 	<ul style="list-style-type: none"> ✓ In September 2004, the Dept of Economic and Community Development retained FERMATA, Inc., a nationally-known tourism development firm, to assess Maine's opportunities in nature-based tourism; one of the fastest growing niches in the travel industry. ✓ Over the past year, FERMATA, Inc. worked with stakeholders in three rural pilot project areas: the Western Mountains, Highlands, and Downeast to demonstrate how nature tourism development can be planned and implemented across the entire state. ✓ On September 13, 2005, FERMATA presented Governor Baldacci with its report and recommendations for a nature tourism initiative in Maine. ✓ FERMATA offers 28 recommendations for Maine's Nature Tourism initiative to provide visitors with accurate and comprehensive information on opportunities to experience the state's world-class natural, historical, and cultural resources. 	<ul style="list-style-type: none"> ✓ Governor Baldacci established the Governor's Task Force for the Maine Nature Tourism Initiative to oversee implementation of FERMATA recommendations. ✓ DECD has been working with regional and local tourism stakeholders in FERMATA pilot areas to develop nature tourism travel itineraries. The Western Maine Mountain and Piscataquis County regions have set their itineraries and submitted funding requests to MaineDOT and Dept of Conservation. The Downeast pilot region has selected Vacation Resources Committee to develop their nature tourism plan and is hiring a contractor to support the region's efforts. ✓ Governor Baldacci awarded two grants to support nature-based tourism product development and marketing in Franklin and Piscataquis counties. The funds will help the regions complete site assessments for infrastructure needs to support their nature tourism itineraries.

			<ul style="list-style-type: none"> ✓ Governor Baldacci is committed to making the investment necessary to maintain Maine's position as a top tourist destination. 	
Some	75. Explore a comprehensive Maine branding campaign	<ul style="list-style-type: none"> ✓ The Dept of Economic and Community Development is researching past and current marketing campaigns and has begun to convene marketing staff from across all the state natural resource agencies to identify collaborative opportunities. 	<ul style="list-style-type: none"> ✓ The Governor's Steering Committee on Maine's Natural Resource-based Industry hosted a forum to identify how Maine might coordinate marketing of its farming, fishing, forestry, aquaculture, and outdoor recreation products and services. Some of the state's top private sector marketing experts advised us. ✓ FERMATA assessed opportunities to package and promote nature tourism. Recommendations include enhancing marketing for locally-produced products and developing an integrated, multi-agency/multi-partner marketing campaign to promote the <i>Maine Woods Experience</i>. ✓ Maine Dept of Inland Fisheries & Wildlife merchandise marketing staff is helping Maine Dept of Conservation to develop a line of merchandise promoting their agency and state parks. ✓ Maine is working with the other three northern forest states to evaluate whether a regional brand for forest products would help promote increased sales. 	<ul style="list-style-type: none"> ✓ A number of new or expanded marketing initiatives are underway for Maine's natural resource-based industry sectors (See #5) ✓ Work continues on examining ways to implement the FERMATA branding and marketing recommendations, pending funding. ✓ The Maine Tourism Commission's inventory of tourism development initiatives will include an assessment of marketing programs (see #73).